

Daily Report

Latin America

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Cuba

Dominguez Receives 20 Year Sentence

FL051150 Havana Radio Progreso Network in Spanish
1100 GMT 5 Sep 87

[Text] The fourth section of the criminal court of the Havana City Provincial Peoples Tribunal has sentenced Luis Orlando Dominguez, former president of the Cuban Civil Aeronautics Institute, to 20 years imprisonment. The tribunal found the defendant guilty beyond the shadow of a doubt.

Jose Manuel Dalmau was also sentenced to be deprived of liberty for 8 years and (Jose Maiquez Diaz) was sentenced to 7 years [names as heard]. The two men were tried in the same case.

In addition, Orlando Dominguez will have to repay the institute he presided over the sum of 271,181 pesos in national currency.

Rodriguez Speech at Cienfuegos Anniversary

FL071315 Havana Tele-Rebelde Network in Spanish
2118 GMT 5 Sep 87

[Speech by Carlos Rafael Rodriguez, member of the Communist Party of Cuba Politburo and vice president of the Councils of State and Ministers, at ceremony to mark the 30th anniversary of the Cienfuegos uprising and the Day of the Revolutionary Navy, in Cienfuegos — live]

[Excerpts] Comrade Army General Raul Castro, second secretary of the Communist Party of Cuba [PCC] Central Committee; comrades of the PCC Politburo and PCC Central Committee; relatives of those fallen on 5 September; comrade participants in that heroic event; comrades representing other heroic deeds before and after the revolutionary triumph; comrades of the Armed Forces, the Interior Ministry, and the Territorial Troops Militia [MTT]; ladies and gentlemen:

Ten years ago, when we celebrated the 20th anniversary of the 5 September uprising in Cienfuegos, Comrade Fidel Castro explained in his speech the admirable significance of these events. He also outlined the role of the various participating forces, as well as the role of the principal protagonists. Teaching us how history should be written and with an exemplary sense of revolutionary justice, Fidel did not refrain from mentioning even those who in their day had been outstanding combatants but later abandoned the course of the revolution.

Not a single heroic action was left unmentioned, but neither were circumstantial errors evaded, errors that in the midst of courageous battle were committed that memorable day. To go deep, to influence the historic process, revolutionary events cannot be merely a relevant realization of a single figure or group. They have to be rooted in the popular forces. That is why, in speaking of 5 September on that solemn occasion, in recognizing

the outstanding merits of the 11 members of the 26 July Movement who died here, the 5 who died in Santa Clara, and the 4 who were assassinated in Havana, in praising the heroic conduct of the 26 Navy men who gave their lives that day — fighting for the revolution and wearing the 26 July armband — the leader of the revolution particularly stressed that it was fair to render what he called a heartfelt national tribute to the brave and heroic people of Cienfuegos. [applause]

Without a doubt, what gives salience and essential character to those events, whose 30th anniversary we celebrate today, is that these events were not the result of the laudable heroic accomplishment of a handful of revolutionaries; they were the result of an authentic popular uprising. [passage omitted]

That is why the exemplary action of Cienfuegos of its own right came to join the most outstanding events of the period beginning 26 July. The determination, the courage with which our city took to the streets to fight with a few weapons the repressive agents of tyranny, forever places it in the history of national heroism.

On the face of it, it was a defeat costing hundreds of lives. In truth, it was a profound victory, because it proclaimed to the world that the fighters of the Sierra were more than a resolute group. The people were with them. [passage omitted]

In recalling the participants of these events here, in reiterating our gratitude, and in expressing our respect, we do so, above all, with the best tribute to their memory. This consists of forging ahead with hat which they with their sacrifice made possible. The years that have passed since these exceptional events have borne witness in our country to important transformations. Not one of them, however, surpasses in significance what has been accomplished in the field of national defense, because this is the supreme guarantee of everything else.

Cuba has ceased to be a country protected by its Armed Forces with the support of our people to become an invulnerable land, each square inch of which is ready to wage what would be a war of all the people if Cuba's enemies tried to invade it. Camilo's [Cienfuegos] assertion has never been more valid than today; the Cuban military forces are an indistinguishable part of the rest of our combative citizenry.

It is in that spirit that we work today, knowing that there is no man or woman, old or young, who does not know right now what his or her role is in the war of all the people to defend this country. [passage omitted]

That is why we chose to have our province receive the defense preparedness banner on this day, 5 September, on the 30th anniversary of that date which clearly showed that the people and the military forces could march together toward the future, in a ceremony of beautiful and symbolic military content presided over by Comrade Raul Castro.

Ready for defense...[interrupted by applause] Ready for defense does not only mean ready to carry out the motto of fatherland or death. It goes further than that. It means to take the invariable stand in each workplace, in each Cuban region that we will defend the revolution, both with rifle in hand and at work and study. I am certain that you are worthy of receiving that banner as the descendants of those who on a day like today knew how to raise the flag of dignity which in the end is the same as the flag of the homeland.

The considerable contribution you have just made to the upkeep of the MTT [Territorial Troops Militia] and the fact that our women are prominent participants in these forces also indicate our people's revolutionary maturity. If we wanted to know why we feel satisfied that this revolution is moving on, we would have to say that we feel this way because our people have experienced a real transformation as a result of the revolution; political and moral change, material change, change in all sectors. [passage omitted]

But the revolution is not only construction and services, it is above all the people's conscience. Popular conscience is at the root of all historical transformations. Without it, no mechanism can supply its renovating function. We are able to shout today that the people's conscience which 30 years ago took to the streets, arms in hand, to get rid of the unbearable tyranny and evict the foreign masters from our soil, has become today a militant conscience which presides over the rectification process that Fidel heads and gives impetus to throughout our country.

If three decades later we are able to come here and say to our dead without blushing that they can be at peace, it is not only because of what we have accomplished but for what we are determined to do. The revolution...[interrupted by applause] the revolution, the revolutionary peoples, the rev...[corrects himself] communist parties must be measures, as Lenin said, by their capacity to perceive, analyze, and correct mistakes. But, as has been said, rectification is more than that to us. As Fidel has said, it means looking at the work we have to undertake in a new light. We must see in the past an incentive for the future. That is what we are engaged in.

We are living in a country in which the revolution has eradicated misery. Our people are ready to sacrifice their well being if necessary to safeguard this revolution. Present times are not easy.

But difficulties are only transitory if we invest their resolution with the determination, responsibility, and wisdom of which all nations have a reserve

Today's suffering and stagnating Latin America, with hundreds of millions of men without work, with tens of millions of children starving and illiterate, is a contrast. It shows us not only the importance of what we possess, but also the duty of solidarity that we have known how to fulfill and will fulfill by working jointly with other

underdeveloped countries in our America. The same goes for Asia and the Africa of Angola and Ethiopia, so that we can attain together the development that the imperialist forces are denying us.

Reagan, the most dangerous and obstinate of today's reactionaries, declared 7 years ago that he would defeat Cuba and subject the world to his commands. However, Cuba is still here. It makes advances against Reagan. Peace makes advances despite the Reagans. It is not necessary to wait until Reagan steps down to certify his defeat right now and point out how ridiculous he is.

Today's difficulties, those of the underdeveloped world, of our America, of our own country, will be the foundation of our progress and tomorrow's victory.

In that radiant future that we shall build with our own effort, socialist solidarity, and universal friendship, that marvelous moment will be remembered, when the comrades of 26 July, the navy men of Cayo Loco, and the people of Cienfuegos carried out their magnificent epic, the beautiful feat of the thousands of Cubans who in those years made possible the revolution we enjoy today.

To remember them is to feel deeply that never has the cry that symbolizes our homeland been so loud and clear and full of hope, the cry whose evocation of death is now joyously overshadowed by the certainty of victory: Fatherland or death. [crowd shouts "Venceremos"; applause]

Castro Speaks at Police Meeting

*FL051511 Havana Radio Reloj Network in Spanish
1202 GMT 5 Sep 87*

[Text] Commander in Chief Fidel Castro has presided over the working meeting of the Interior Ministry [Minint] to analyze the work of the National Revolutionary Police [PNR]. Army General Raul Castro also attended.

Efforts to strengthen and perfect the work of the PNR, which have helped minimize some of the most serious aspects of crime, were made obvious during the analysis meeting.

Special attention was paid to the work being carried out on pardoning [despenalizacion] certain criminals, the penal code, application of stricter sanctions for serious crimes, and the different treatment that should be given to anti-social elements and workers or students who for some reason violate socialist law.

It was also evident during the Minint meeting how the lack of vigilance, requirements, and protection measures in some administrations, as well as the population's own negligence, creates causes and conditions for crimes. Greater educational efforts are needed to confront this.

During the meeting, the participants also analyzed the vigilance and patrol system and the decisive role of the infantry police, as well as the importance of their

involvement in other areas, such as the CDP [expansion unknown], the CDR [Committees for the Defense of the Revolution] guard, and night watchmen to better control the operative situation and efficiently counteract criminal activity. In reference to this, it was stated that efforts are being made to perfect methods and strengthen the work of the PNR.

Extensive speeches were given during the meeting on the work of the Social Attention and Prevention Commissions in their different aspects and special attention was given to strengthening work with our youths, especially with those who neither study nor work. They stressed the direction that the UJC [Union of Young Communists] and mass organizations should take in this matter to guarantee the incorporation of those new saplings into society.

After the debate, Division General Jose Abrahantes [Interior Minister] said that despite the difficulties that exist in the PNR, the police have earned the recognition of the population, who each day expect more effective action from them.

During his closing remarks at the meeting, our commander in chief said that we see more clearly than ever the damage caused to society and the revolution by crime and activities carried out by anti-social elements. He also referred to the role of the police in confronting those manifestations.

Fidel said that the police produce one of the most precious goods to man: the security of the family. He added that this is valuable, noble, and humane work.

Our commander in chief called on the PNR to strengthen and increase their work capacity and to excel technically and professionally. He also said they can be assured that they have the support of the PCC and the state in their efforts to defend domestic order.

Castro Meets With Church Leader

*FL071313 Havana Tele-Rebelde Network in Spanish
1100 GMT 7 Sep 87*

[Text] Commander in Chief Fidel Castro Ruz, first secretary of the Communist Party of Cuba [PCC] Central Committee and president of the Councils of State and Ministers, met yesterday afternoon with Dr Emilio Castro, secretary general of the World Council of Churches. The distinguished visitor has been in our country since 23 August as the guest of the Methodist and Presbyterian churches of Cuba with the support of the Ecumenical Council.

The meeting with our commander in chief was held in an atmosphere of friendship and fraternity. Also participating in the talks were Jose Felipe Carneado, chief of the Religious Matters Department of the PCC Central Committee; and representatives of the churches belonging to Cuba's Ecumenical Council.

During his stay in our nation [as heard], Dr Castro visited Santiago de Cuba Province, where he toured, among others, the Granjita Siboney and the Frank Pais Museum. Dr Castro also visited the Isle of Youth's special Municipality.

Costa Rica

FMLN Accepts Arias Mediation Offer

PA072317 Paris AFP in Spanish 2233 GMT 7 Sep 87

[Text] San Jose, 18 Sep [date as received] (AFP) — Costa Rican President Oscar Arias offered to mediate a dialogue between the FMLN and the Salvadoran Government of Jose Napoleon Duarte.

Arias announced his mediation today after meeting for almost 3 hours with a high-level delegation of the rebels led by Commander Shafick Handal and Social Democrat leader Guillermo Ungo.

Arias' offer was accepted by the rebels, who reiterated that the dialogue in El Salvador must occur "without prior conditions."

Handal on Arias Talks

PA080315 (Clandestine) Radio Venceremos in Spanish to El Salvador 2300 GMT 07 Sep 87

[Text] Within the framework of permanent efforts by the FMLN-FDR to find a fair and political solution of the national conflict, a delegation from our fronts met with Costa Rican President Oscar Arias a few hours ago. Prior to the meeting, which is already considered another great victory for our people, Commander Shafick Jorge Handal, a member of the FMLN General Command, who headed our delegation along with Guillermo Manuel Ungo and Ruben Zamora of the FDR, made important statements regarding the context of the meeting. Radio Venceremos, official voice of the FMLN, broadcasts to our people and to the national and international press these important statements made by Cmdr Shafick Jorge Handal. Asked about the importance of the meeting between our fronts and the Costa Rican president, Cmdr Handal said:

[Begin recording] We have arrived in Costa Rica with the following premises: First, the basic problem in El Salvador is the serious struggle the Salvadoran people have waged along with their fighters. They have demonstrated organizational tenacity under the worst of repressive conditions. Large sectors of the working classes from the countryside and the cities have shed their blood in the effort to help the Salvadoran people attain their historic goal. [Words indistinct] to achieve peace in the Central American region, and especially to achieve a political solution in El Salvador. This is the first premise.

Second, the FMLN and the FDR [words indistinct] the popular revolutionary war, have maintained that a political solution should be sought. We have aggressively promoted the development of the popular revolutionary war without hesitation, because we feel the people's struggle to achieve their goals should be decisive. The struggle establishes the possibilities that may open, which are opening up for a popular victory. At the same time, as a substantial part of this struggle, of this popular revolutionary struggle, we have systematically maintained the need for a dialogue and negotiation in the

quest for a political solution. This would prevent suffering and destruction. That is why when these peace efforts are made in Central America, we must be present. We have come to Costa Rica to visit and talk with President Arias, because he promoted the initiative that ended in the Guatemala City agreement.

We will explain to President Arias the realities of El Salvador; we will explain that we believe the two leading obstacles for the fulfillment of the plan that he promoted are first, the rejectionist and obstructionist maneuvers of the Reagan administration, which has promoted this process of aggression and intervention in Central America. [Words indistinct] there will be no peace in Central America. This is the first and most important obstacle. The other obstacle is the Salvadoran Government's position. The government is trying to use the plan to gain military advantages. Duarte already said this during his speech on Channel 10 on 11 August. He said it very clearly. He said the plan will be advantageous to the government, because it will isolate us; the Guatemala City agreement will isolate the (?fmln). [Words indistinct] that the FMLN will no longer be able to get material support from anyone, and at the same time — for having signed the plan, because of the prestige the government has allegedly gained — the United States will give the government more aid, more military aid, more aid of all types. He said he would not [passage indistinct] they are going to force us to put down our weapons. This is the advantage he sees. In other words, for Duarte — and this is the opinion of the U.S. Government, because Duarte is speaking for the U.S. Government, and Reagan is talking through Duarte's mouth — the plan is a maneuver to gain military advantages.

How can we explain all of this to President Arias? Of course, Duarte is not going to gain any political or military advantages. Events have demonstrated this. The so-called international political isolation he has spoken of, our presence in Costa Rica, the manner in which we were greeted, the meeting that will take place, the news conference that will take place later at the presidential palace after our meeting, the news conference we will have there with the president, all of this demonstrates that Duarte's calculations are off. We must explain all of this.

Meanwhile, Duarte is clearly not gaining domestic support for his position, his maneuver of imposing conditions for the resumption of the talks. He is failing. The maneuver has failed. At first, only the FDR and the FMLN rejected this maneuver. We stated clearly that conditions cannot be imposed for the dialogue; that a dialogue had already been initiated in El Salvador, in La Palma; that commitments had been made, and one of them was not to impose conditions. One of the commitments established in the agreements adopted in La Palma was to promote a national dialogue, to have all the different sectors of the nation participate in this process of searching for a political solution. Prior to and after the Guatemala City agreement we said that there cannot be any analogy or comparison; we cannot be compared to the Nicaraguan contras. We are completely different.

The FMLN and FDR had maintained all of this, but now it is no longer only us; now there is a more generalized awareness of this situation. The latest event that reflects this is the position adopted by the opposition parties in the statement they presented to Duarte, in which they demanded that the talks be resumed without any preconditions. The statements to the press by the party leaders have been even broader. Some of them have said that the conditions Duarte is demanding are absurd. The parties' statement also states that the dialogue should be between the government and the insurgent forces. In other words, they refer to the two fronts, the FDR and the FMLN. Their statement also says that the political parties [words indistinct] opposition in the country. In other words, the workers movement in the city and the countryside, the universities, and many other sectors that have stated positions that are critical and opposed to this government should participate.

They have learned a position that we have maintained for some time — as I said earlier — regarding the national dialogue. We must also recognize national conditions, the specific conditions under which the Salvadoran conflict is taking place. In other words, we cannot compare what happens in other countries — especially what is happening in Nicaragua — with what is happening in El Salvador. Duarte's comparison of the FMLN and the contras has also been rejected by the parties, and these parties hold an ideological and political position [passage indistinct]. The state employee organizations have maintained their unpopular line. They have accused workers of (?supporting the FMLN).

They have maintained this concerning the workers and students. We would like to know if they have the same opinion of the parties. The fact is that all of these arguments and falsehoods are wearing thin, and Duarte's refusal to reopen the dialogue upon the established terms, a dialogue among Salvadorans, a dialogue to rescue national sovereignty, all of these arguments, all of these repetitions of his refusal have worn thin, and have worn him out even more.

Of course, we have not lost sight of the fact that the true boss, the one who makes the decisions, is Mr Reagan's government; and Mr Reagan's government is not showing signs of opening the possibility of a real negotiations process in search of a political solution. It is this will that must be destroyed. We are becoming firmer in the decision to destroy this will. We have great interest in doing this, and we are going to continue supporting the possibility of a political solution as we have been doing. At the same time, we must make it clear that we are not going to dismantle the popular revolutionary forces, nor will we disarm ourselves.

A political solution to us is an overall solution, in which not only the cease-fire must be solved but there must be the creation of a government that will be broadly representative and that will effectively guarantee the possibility of a process of true democratization. What we have now is not a democratization process. When it is said

that we should join the democratic process, it is a false position, because there is no democratic process in El Salvador. What we have is a stated counterinsurgency, a counterinsurgent plan [words indistinct], which includes the government, which calls for a propagandist speech and political maneuvers which give the appearance of liberties and democracy in the country when there is repression, where violations of human rights and liberties are intensified, and where the prolonging of the war is promoted. This is not democracy.

We feel that the overall solution would solve this problem. As long as an overall solution is not achieved, there will be two armies. The government and the high command have tried to deny the fact that there are two armies; they turn a blind eye to this reality. They say there is only one army, the (?counterinsurgent) army. This is a ridiculous, absurd position. How can we explain the 7 [as heard] years of war in our country and that the FMLN is still growing and expanding? How can we explain this without the existence of another army? The problem of the existence of another army is not resolved simply by a call for disarmament. We will never accept this. The solution must come through a negotiation of the overall problem. This is the problem [passage indistinct]. This is what we have been saying for a long time.

If none of this goes through, if the imperialists' aggressive will cannot be defeated, it is clear to us — and we believe it is clear to the Salvadoran people, after the experience of 7 heroic years of struggle and progress — that we will continue struggling with the greatest firmness and decision, and with the full conviction that the revolution will win. The Salvadoran people will achieve their goal regardless of the U.S. Government's opposition.

The solution, this victory [words indistinct]. The six points we have proposed for the political solution are the same six points we advocate for the other variant, the variant of triumph, to which the popular struggle in our country is headed. The armed and unarmed struggle, the political struggle, the economic struggle, the struggle in general is headed toward victory; while the counterinsurgent plan is being worn down politically and militarily. The effort to evaluate or rather to reevaluate the counterinsurgent plan — beginning with the Guatemala City agreement, the use of the Guatemala City agreement to prolong the U.S. aggression, the U.S. intervention, the prolonging of the counterinsurgent effort for 6 or 7 years, as the U.S. ambassador has said on various occasions — this plan is condemned to failure.

I want to tell the Salvadoran people on behalf of the general command, from San Jose, Costa Rica — and this is what we will tell President Arias — that this plan is condemned to failure, that the Salvadoran people's history cannot be controlled or edited. It is upon this basis that we are acting, and this is the reason and explanation for our presence in San Jose, where we have been warmly welcomed and well attended to by the press. We were welcomed at the airport by a delegate sent by President

Arias, and within a few hours, we will go to the presidential palace, where we will meet with the president and other ranking government officials. After this, we will hold a news conference. We hope this meeting will strengthen our efforts to achieve a realistic political decision that will not be in conflict with the Salvadoran people's interests, but will contribute to the achievement of a national consensus that will rescue our democracy and place the country on the path to the transformations it needs and the democracy it needs. We would thus achieve a just and lasting peace. [end recording]

Security Minister on Incident With Nicaragua
PA030029 San Jose Radio Reloj in Spanish
2300 GMT 2 Sep 87

[Norma Umana report from the Public Security Ministry Building — live]

[Text] [Umana] Public Security Minister Hernan Garron Salazar is currently holding a news conference on the armed clash that took place this morning in Laguna de Aguadulce between Sandinist patrol boats and a Costa Rican patrol boat. Here is the minister:

[Garron Salazar — in progress] ...Nicaraguan and opened fire on our Border Post 6. Our Post 6 returned fire. We do not have heavy weapons there but a medium-caliber machinegun. We responded to the attack.

Until then everything had gone well. They [words indistinct]. Our patrol boat that [words indistinct] was in front of Limon was ordered to go north. I made the decision to call the Nicaraguan Embassy and warned it that our patrol boat was heading north, and if the speedboats would not withdraw we would have a confrontation. The [Costa Rican] speedboat went up the river. Then the [Nicaraguan] speedboats withdrew, but our speedboat disappeared. After I spoke to Mr Carlos Sequeira of the Nicaraguan Embassy, he called me back. He argued that the Costa Rican speedboat was seized in Nicaraguan waters. In view of Costa Rica's position, however, Nicaragua has released the boat, and it is already sailing back to Costa Rica.

They have given the coordinates: 10 degrees, 55 minutes latitude north and 83 degrees, 30 minutes longitude west. This is perfectly inside Costa Rica. I believe they were mistakenly informed that this is Nicaraguan territory, but this is Costa Rican territory. These coordinates were provided by them, not by us. [passage indistinct]

I want to point out here the brave and honest way the captain of our small patrol boat, Captain Salazar Punes, boarded the other boats and told their crews they were mistaken. However, they seized our speed boat and headed for Nicaragua.

Fortunately, this has been resolved, and the boat has been released. We are expecting it to arrive at Barra Colorado today. Commissioner Barranco will be going there tomorrow with attorneys from our legal department to secure statements and testimony on this to file a protest to the Nicaraguan Embassy.

This is all I have. I only want to add that we are very satisfied with the attitude of the boys at Post 6 and with that of the patrol boat crew.

Nicaragua Returns Boat
PA031340 San Jose Radio Reloj in Spanish
1222 GMT 2 Sep 87

[Text] Nicaragua has returned the Costa Rican patrol boat. It has just been confirmed to this station that the Costa Rican patrol boat that the Sandinist Navy's patrol boats seized yesterday in Costa Rican waters, north of Barra del Colorado, has been returned. It is now at Delta Six.

This incident took place yesterday at 1545. The ensuing diplomatic negotiations from San Jose did not have immediate results. As we have already reported, the Sandinists had entered Costa Rican waters, and they were warned. However, the Sandinists' patrols were superior in terms of numbers, weaponry, and crewmembers, and seized our country's patrol boat. The boat was returned last night.

Top public security officials will go this morning to Delta Six to gather the appropriate information.

Communist Party Elects Central Committee
PA060452 San Jose LIBERTAD in Spanish
28 Aug-3 Sep 87 p 5

[Text] During its first session, the Central Committee elected by the 15th Costa Rican People's Party Congress unanimously elected Comrade Manuel Mora Valverde as secretary general and Comrade Lenin Chacon Vargas as deputy secretary general. In an election that was characterized by a broad debate on the candidates proposed by the membership and the delegates, the 15th congress elected the following as Central Committee members:

Mario Aguilar Diaz, Alicia Albertazzi Herrera, Anabelle Artavia Montero, Ramon Fausto Barrantes Cascante, Carlos Blanco, Gregorio Bolanos, Gerardo Contreras, Fernando Camacho, Javier Chacon, Lenin Vargas Chacon, Armando Chamorro, Gerardo Delgado Aguero, Vianney Diaz, Fabian Dobles Rodriguez, Ignacio Dobles Oropeza, Arturo Fournier Facio, Olga Goldenberg Guevara, Milton Guerrero Poveda, Miguel Gutierrez Saxe, Kemly Jimenez Fallas, Carlos Jimenez Vargas, Jose Merino del Rio, Alvaro Montero Vega, Manuel Mora Salas, Manuel Mora Valverde, Eduardo Mora Valverde, Jose Picado Lagos, Francisco Rivas Rios, Luis Rodriguez Gomez, Luis Serrano Estrada, Miguel Sobrado Chavez, Hermes Soto, Daniel Tellez Cubillo, Alberto Vasquez Morera, and Ramon Villareal Villareal. It also elected the following as alternate members: Fernando Chavez, Oscar Salas Leon, Cesar Solano Gutierrez, Joaquin Gutierrez Mangel, Rodolfo Ulloa, Halder Paniagua Navarro, Heriberto Campos, Jose Melendez Ibarra, Jose Zuniga, Domingo Rojas, and Daniel Abea.

Nicaragua

Daniel Ortega Meets With Soviet Envoy

Ortega To Visit USSR

PA072240 Managua Domestic Service
in Spanish 1919 GMT 7 Sep 87

[Text] President of the Republic Daniel Ortega Saavedra met this morning with Vadim Zagladin, first deputy chief of the International Department of the CPSU Central Committee and special envoy of CPSU Secretary General Mikhail Gorbachev. Following this important meeting, Ortega made some statements to newsmen and announced he will go to the USSR in November. He also announced that the USSR has delivered 100,000 tons of petroleum. This is in addition to another delivery the USSR already had made. Let us listen to Comrade President Ortega:

[Begin recording, in progress] [Ortega] ...we still have a deficit of some 55,000 tons; we have found out that we still need 55,000 tons.

[Reporter] [Question indistinct]

[Ortega] There has not been any answer yet.

[Reporter] Commander, are those 100,000 tons part of the 1988 quota, or are those...?

[Ortega, interrupting] No, this is a donation in addition to the 1987 quota. The USSR had already delivered 300,000 tons, which was the 1987 quota; and now an additional 100,000 tons are to be delivered this year.

[Reporter] At first, it was said the deficit totaled 200,000 tons. The USSR is now giving an additional 100,000 tons. You say we only need 55,000 more tons. In other words, you must have received another amount.

[Ortega] Cuba delivered 40,000 additional tons, and this has reduced the deficit. With the 40,000 tons from Cuba, and the additional 100,000 from the USSR, our deficit is now reduced to 55,000 tons. [all figures as heard]

[Reporter] [Question indistinct]

[Ortega] We have made an appeal to all the oil-producing countries and are waiting for an answer.

[Reporter] Will we make it to the end of the year with this 100,000 tons if there are restrictions?

[Ortega] We have taken several measures that have already been announced concerning making it to the end of the year with some restrictions. However, it would be ideal if we could work without the pressure entailed by a deficit of 55,000 tons.

[Reporter] When will you travel to the Soviet Union?

[Ortega] We have been invited to the 70th anniversary of the October revolution, which we understand will be commemorated in November, since they use the Gregorian calendar.

[Reporter] Commander, what could you say about the visit by Senators [names indistinct] and a group of congressmen who begin a visit to Nicaragua tonight?

[Ortega] You know about a group of U.S. congressmen who are interested in finding a peaceful solution to the conflict between the United States and Nicaragua. Nicaragua has been making these efforts for many years. We already are aware of the stand of the congressman and senator [words indistinct] who have been [words indistinct]. Yes, I expect to meet and talk with them. [end recording]

Comrade President Daniel Ortega Saavedra held a lengthy meeting with Vadim Zagladin, member of the CPSU Central Committee and special envoy of CPSU Secretary General Mikhail Gorbachev. Zagladin, who is also first deputy chief of the International Department of the CPSU Central Committee, will be in Managua until Thursday, when he returns to the USSR.

Oil Quota To Increase

PA071949 Managua Domestic Service
in Spanish 1835 GMT 7 Sep 87

[Text] The meeting between Nicaraguan President Daniel Ortega and Vadim Zagladin, full member of the CPSU Central Committee and special envoy of CPSU General Secretary Mikhail Gorbachev, has just ended here at the Cesar Augusto Silva Convention Center in Managua. Here is Comrade President Ortega.

[Begin Ortega recording in progress] ... We want to thank you for the invitation. We hope to accompany you on that glorious date for the Soviet people.

In his message to us, Comrade Gorbachev also reiterates his support for the Nicaraguan people, its revolution, and for the agreements signed by Nicaragua in Guatemala on 7 August. The Soviet Union again ratified its support for the agreement signed by the Central American presidents in Guatemala.

In reply to Nicaragua's oil request, Comrade Gorbachev also tells us that they have decided to deliver an additional quota of 100,000 tons of oil to us. That is in addition to the Soviet quota of 300,000 tons of oil that has already been fulfilled. Now the Soviet Union is delivering an additional quota of 100,000 tons of oil.

In other words, with this additional quota, the Soviet Union is fulfilling over 50 percent of our annual oil demand.

We want to express to Comrade Vadim our acknowledgement and thanks for this new fraternal and solidarity action by the Soviet Union as a demonstration of exemplary and mutually respectful relations between our two countries. We also want to thank the Soviet Union

for its support for all the decisions made by Nicaragua regarding internal and foreign issues. [end recording]

Officials Discuss Amnesty, Justice

Daniel Ortega Statement

PA072230 Managua Radio Sandino in Spanish
1200 GMT 7 Sep 87

["Excerpt of final statement" by Commander of the Revolution Daniel Ortega, president of the Republic, during "Face the People" program held in Leon on 6 September — recorded]

[Text] We signed a document in Guatemala City to take specific steps to achieve peace, so the Nicaraguan people will not continue to suffer, and so the Nicaraguan mothers will not continue to suffer. The document mentions amnesty, among other things, but does not state whether it would be a general amnesty. That was not defined. The document did not define what kind of amnesty it would be. I understand perfectly well the mothers's message, which says that they cannot accept the idea that the genocidal guards who have been murdering children, women, and elders will be pardoned. I understand why the mothers find this unacceptable, simply because justice must prevail. We must bear in mind that World War II criminals, the Nazis, were tried and given long sentences. One of these criminals recently died in jail. These are events that occurred in 1945, so he spent more than 40 years in jail for perpetrating a crime, and he was paying for this crime.

We understand that this is simply not a matter of vengeance; it is a matter of ensuring that justice prevails. We also understand, understand [repeats himself] when Cardinal Obando — president of the Episcopal Conference, and member and president of the National Reconciliation Commission — reacted as a religious leader and said that the amnesty should be implemented in a general way. That is his opinion, and we should respect it, because he is a religious authority... [corrects himself] he is a church authority and believes that the amnesty should be implemented in a general way.

However, the document we signed in Guatemala City does not say we must grant a general amnesty. Consequently, we will bear in mind the Nicaraguan mothers' feelings and the need to enforce justice whenever we fulfill the pledges we assumed in Guatemala City. We must enforce justice and not seek revenge, because we oppose revenge. This revolution has been so generous that it has not enacted a death penalty and life sentence, such as in the United States, where the death sentences and life imprisonment are implemented. In the United States, people are sent to jail until they die. The maximum sentence in Nicaragua is 30 years, so no one can say that we act with hatred or seek vengeance — even against the genocidal guards who were captured after the revolution's victory.

H.Ortega News Conference

PA040203 Managua Radio Sandino in Spanish
1630 GMT 2 Sep 87

[News conference given by Defense Minister Humberto Ortega at the San Jacinto Farm on 2 September 1987; monitored in progress — live or recorded]

[Text] [Ortega] ...especially if we compare the number of troops they had in 1986 with their situation this year. In 1986, they had a force of approximately 12,000 armed men. Today, combining all their main and support forces, they hardly reach [number indistinct] men. They have approximately 4,000 to 5,000 — at the most — in organized forces at various levels. In other words, we have continued intensifying the strategic defeat we have maintained more steadily since 1986. Another question?

[Reporter] So far in the political field your government has adopted a number of measures, making proposals and concessions to strengthen the process of negotiations initiated by the Esquipulas agreements. However, in the military field, could it be expected that in the next few days the Sandinist army will launch some kind of proposal such as a (?cease-fire) to help strengthen the peace process in the region?

[Ortega] Well, the Interior Ministry has been completing the necessary steps to facilitate the reintegration to the country's normal life — the return to Nicaragua — of all those groups who directly or indirectly have participated in the military actions sponsored by the U.S. government. This Interior Ministry process is being supported by the EPS throughout the country. It is already evident that some FDN groups are ignoring the top leaders who meet with Reagan — the Robelos, the Caleros — and that these groups operating at the border or in the interior of the country are realizing that the top leaders are manipulating them politically, as they do not represent the Nicaraguan national interests. Within the process of peace promoted by the Nicaraguan government, it is possible that through contacts with the government the groups will be given the opportunity to reincorporate themselves into the country's normal life, moving away from the treacherous positions of their political leaders, which is really [words indistinct]. So, we are conducting a military campaign, in which the main task is to continue raining hard blows on the groups that (?refuse) to join the country's normal life. Our military plans continue, while at the same time the Interior Ministry is implementing special plans so — as I said in my interview with *Barricada* today — those individuals can join the victorious side by accepting the amnesty, instead of continuing on the path to defeat, which is the only path offered by the treacherous political leaders who follow Ronald Reagan's warmongering policy.

[Reporter] [Words indistinct] possibilities that this country might mediate between the contras and the Sandinist government?

[Ortega] No mediation is necessary here. The rules of the game are clear, and our government has always shown political willingness. We have fully respected the civil

rights of those individuals directly or indirectly involved in armed actions. This has always been true. The process in northern Zelaya has been a lesson. The military and state authorities have fully demonstrated their seriousness in giving opportunities [word indistinct] to those who return to the country's normal activities. All their civil rights have been respected, and some of them have even been given the opportunity to continue in military activities by joining the country's institutions, in other words the EPS or the Interior Ministry. Therefore, no mediation is necessary here as the steps that must be followed to stop acting according to U.S. antinational guidelines are totally clear.

[Reporter] I do not clearly understand the difference between amnesty and cease-fire in this context. In other words, have you considered a cease-fire, or is it the same thing as amnesty for you?

[Ortega] No. In other words we as the authorities, in this case the military and security authorities, are working on a system that will enable groups currently operating against Nicaragua, but who are considering the agreements reached by the five presidents and on the political and national forces (?represented) in the National Reconciliation Commission [changes thought]... we are giving these groups the opportunity to reincorporate themselves with confidence into the country's normal life, with all their rights, and without the fear of repression. If at any time in the past there were problems in our security institutions because of inexperience that did not contribute to a climate of confidence, in the past few months those institutions have seriously complied with the government's instructions along those lines. The cease-fire is in fact a number of measures implemented by the country's security and military authorities in specific areas, so that mercenary groups who are willing to stop being manipulated by the corrupt political leaders who live in the United States — the Robelos, the Bermudezes, the Caleros — who do not represent their interests, can do so. Some of those forces are really made up of peasants who have been manipulated by the [words indistinct]. Some of these groups have already expressed their understanding of the real situation in the country, which is really that of a Nicaragua where they can resolve their problems much better. In that sense, the cease-fire consists of a number of measures presented to specific sectors of our territory in order to enable those forces to give up their acts of violence and join the peaceful efforts promoted by Nicaragua to reconstruct the country.

[Reporter] Newspapers here have been reporting on a number of people who have accepted amnesty. Do you have a figure on the number of people who have accepted amnesty since the Guatemalan summit?

[Ortega] Well, on 17 August [Changes thought]...the Interior Ministry has more information on this. However, I believe that there are several dozen, this is still ... [background words indistinct] ... however, I believe that there are already a few dozen. The most significant has been the case of Carlos Coronel, who on the day of the

normalization of the Nicaraguan-Costa Rican border trade relations accepted the dignified amnesty process. Those forces must realize that rectifying does not mean that they have been overpowered or defeated. They must realize that it is merely taking a dignified step toward victory, and not toward defeat, which would be to continue being U.S. instruments.

[Reporter] General, many people have been surprised — to say the least — by the signing of the Guatemala peace agreements. Senator Dole came to propose a number of points, speaking in a tone that sounded as though he were giving an ultimatum. To what extent do you believe that the agreements — the compliance with the points in the agreements — could be used as a maneuver to get Guatemala politically involved on one side, and to isolate the FMLN in El Salvador politically and diplomatically?

[Ortega] We know that Reagan to this day continues publicly to express his determination to destroy the Sandinist Revolution and impose on us the most conservative and reactionary positions of exploitation, oppression, and submission to imperialist interests. Reagan has not changed his position to date. Logically, as a result of that negative determination, a number of measures will be implemented aimed at showing, at the conclusion of the 90-day deadline, that Nicaragua has been the factor preventing compliance with those agreements. To deceive the international public and the U.S. people and to justify the escalation of its warmongering policy [words indistinct] against Nicaragua — that is Ronald Reagan's objective. Logically, if Ronald Reagan wants to crush the Nicaraguan revolutionary, independent, nationalist, patriotic movement, which represents the Latin American desire for change [words indistinct] logically, he will also try to curb, destroy, and hamper the progressive, democratic processes taking place in Guatemala and in other parts of the region despite his aggressive attitude.

[Reporter] Commander Ortega, regarding the Guatemalan agreement, how is the EPS complying with the human rights aspects?

[Ortega] Well, I [words indistinct] together with Commander Borge, since the implementation of the agreements and before we had always been particularly careful. Any member of the EPS or of the Interior Ministry who has made a mistake has been publicly punished. [Words indistinct] we have been building an Army and an Interior Ministry, and logically, in order to do things right, sometimes one must take steps in seeking the best, because [words indistinct] the best. In recent times, however, and particularly following the signing of the agreements, we have made various analyses and have been working on institutional mechanisms [words indistinct] in order to comply with this process. Regarding human rights, I believe that since the triumph of the Sandinist Revolution, for the first time real respect for human rights is being consolidated in Nicaragua.

Is there anyone who has not asked any questions yet?

[Reporter] Regarding Nicaraguan officials who have gone abroad, who have been charged with economic crimes against the State, will they be [words indistinct]?

[Ortega] I do not believe so. The amnesty covers anyone who is willing to work in favor of the national interests and stop acting consciously or unconsciously in favor of U.S. antinational interests against Nicaragua. I believe and I understand that they can accept the dignified peace process promoted by Nicaragua.

Is there anyone else who has not asked a question?

[Reporter] Regarding the border incidents with Honduras and Costa Rica, [words indistinct] Esquipulas summit?

[Ortega] It is important that particularly in the Costa Rican sector on the southern border we have seen that Costa Rican government authorities make important efforts to prevent the use of their territory by the antinational groups, in other words, by the stateless persons directed by Reagan. This — along with the constant surveillance by our authorities along the border area — has considerably restricted the activities of the enemy forces in the southern area. Incursions are more frequent in the northern area, as the mercenary forces have their bases in Honduras. Some Honduran army units are also engaging in provocations ordered by the CIA. They constantly attack and harass our authorities. They do this almost every other day. We are not retaliating to prevent giving our enemies a pretext to make it easy for the United States to carry out plans against Nicaragua.

[Moderator] *Barricada* reporter Alberto Reyes has a question.

[Reyes] I would like you to expand on a question you responded to a few minutes ago because people are very interested in this. You mentioned that officials who have committed embezzlement will be allowed to take amnesty. I can mention cases such as that of Maria Alvarado, from TELCOR [Nicaraguan Telecommunications and Postal Service], and the case involving a former deputy minister of INSSBI [Nicaraguan Social Security and Welfare Institute], which are cases that caused considerable damage to the nation. What would then happen with those who are planning to perpetrate this kind of crime? Could they commit such crimes over and over again and be granted amnesty?

[Ortega] No, no, I understand that this has an eminently political content. [Words indistinct] anywhere in the world. Someone may run out of the country because he committed a crime, which is an action subject to other kind of laws. This amnesty will not include thieves. I think there are many ways to handle this matter. Then one would have 100 years of pardon. [sentence as heard].

[Reyes] A few minutes after you began your news conference Radio Sandino broadcast two last-minute reports: The first one was that Republican Senator

Robert Dole has returned to the United States, and has stated that he will ask President Reagan to grant more aid to the contras. The second report said that U.S. citizen Brian Wilson underwent surgery for 8 hours and is in critical condition. Do you have any comments about this?

[Ortega] Well, first of all, we are not making all these peace efforts because we are being threatened and someone is pointing a gun at our heads. We are doing this because we know we must. We are sure that with a true national, patriotic community composed of all Nicaraguans, — in which the poor peasants, workers, students, youths, with the FSLN at the vanguard become the cornerstone of this national unity — we will resolve the country's problems more efficiently and will continue struggling for peace in an effort by all sectors in the country, within the framework of the Revolution.

We are not doing this because the Yankees are about to attack us and begin their intervention. We are not searching for peace because we fear that intervention. Rather, we are trying to find the way to integrate all forces in the nation so that they join us and we unite into a single patriotic body to improve the conditions in the country and struggle for peace and against the intervention.

In this sense, those who favor the warmongering policy, who are planning to give and grant more aid to the mercenary forces, should go ahead and give it to them. That is not the problem. They can give \$500,000 million to the contras. The contras are not capable of handling such amounts or such resources because they are a bankrupt organization. When a business is bankrupt it cannot produce adequately, regardless of how much money is invested. Therefore, specifically from the military and security point of view we couldn't care less. They can give anything they want to the mercenary forces because after all, during the last months of the Somoza government they gave him anything they wanted and still Somoza was incapable of handling such aid, and he was eventually destroyed by the people's massive actions. Therefore, in this case, we do not care; if the United States wants to give 500 million to the mercenary forces; that is their problem. However, the problem is not that Reagan wants to give more military support to the mercenary forces. The problem is that Reagan wants to have a bipartisan consensus to justify not merely the actions by the mercenaries but the possibilities of taking direct actions against Nicaragua. That is the danger. The danger is not that the contras may have more weapons, because the contras have already received more than they can handle. Furthermore, we know that there are [words indistinct] of weapons which the contras have been unable to use up, and which have been dropped from the planes flying over the area in the past few days; we know that they are not able to use up those weapons. We have seized a considerable amount of ammunition from them. The contras' problem is that they do not have a social base and have not grown. Therefore, threatening us is not the way to deal with

Sandinists. We already mentioned that they are trying to apply the strategy of submission [words indistinct] of the intervention. In this process, they are trying to make us give up the Sandinist Revolution by threatening us with intervention. What are they waiting for? When the 90 day-period ends, they want the peasants to be deprived of the land given to them by the Revolution over the past 8 years. They expect us to give up all the accomplishments we have obtained through the Revolution. That is how they view democracy. Democracy to them would mean reopening *La Prensa*, the media in general terms, and closing the Revolutionary media; that is their concept of democracy. In the times of Somoza, the [words indistinct] FSLN had to have clandestine media and scatter a few leaflets. They, however, the bourgeoisie, the turncoats and all other oppressors and exploiters, they had access to all the media, such as television, radio, etc. This is the kind of freedom of the press they want, where they would be the only ones allowed to speak, where the Sandinists would not be allowed to talk. Thus, we believe that we Nicaraguans cannot permit these kinds of changes.

In sum, the warmongering sectors will continue supporting the plans to give more aid to the contras, particularly because they want to obtain a bipartisan consensus to escalate the war of aggression against Nicaragua.

Regarding what they have done to our brother and war veteran Brian Willson, this shows the great U.S. democracy they want us to implement here in Nicaragua, the democracy of (disaster?), the democracy of drugs, the democracy of a train crushing this pacifist who was protesting the incorrect policy of Ronald Reagan against Nicaragua and El Salvador. If a barrier is set up against the train, instead of calling the police or using other means to remove the pacifists from the area, they run the train over them. That is the democracy Mr Reagan wants us to implement here in Nicaragua. Therefore, I think [words indistinct]

Let us hear the last question? Who will ask it?

[Reporter] If there is no cease-fire, if the United States continues supporting the contras and continues the supply flights, do you still intend or have the possibility of getting interceptor planes to prevent such supply flights?

[Ortega] Look, the main force here is the people, who are organized in different ways to defend the country. That is the most important thing, although there are other things that are complementary. Obviously, if we had planes, it would be easier to counteract the enemy's aerial supply. However, we do not have the planes; thus we have to design other ways. We have a unique system [words indistinct] against the aerial supply, which we are improving and that has been successful. We have never given up the plans to get the weapons Nicaragua needs. The planes are part of the antiaircraft defense system. We have created an antiaircraft defense system which has the (specialized?) antiaircraft artillery; we have

T2-M, C3-M rockets and other kinds of new rockets. The heavy aircraft we plan to get are interceptors. Such planes would not be in a special branch of the antiaircraft system; they would be part of the regular aerial defense system of the country, as are the helicopters, which are part of [words indistinct] of an antiaircraft defense system, as are the radars, etc.

We have never given up the idea of providing our people with all the weapons required to defend the sovereignty of the fatherland, and the sacred interests that were defended here, on this farm in 1856. Therefore, we will continue [words indistinct] all the weapons we believe are necessary for our defense. We have never given that up.

[Reporter] [words indistinct] which you just mentioned.

[Ortega] No, no, [words indistinct] [applause]

Tomas Borge Announcement

PA061554 Managua Radio Sandino in Spanish
1200 GMT 3 Sep 87

[Text] Commander Tomas Borge Martinez has announced that the government is conducting a legal study of a future amnesty program. Borge made the announcement while commenting on various aspects of the Guatemala agreement and its fulfillment by the revolutionary government. He explained that a future amnesty will be regulated by important political decisions and the degree of simultaneity among the other Central American countries.

Borge said that the counterrevolutionaries are increasingly aware that they cannot achieve a military victory, citing as an example the massive contra desertions during the past few days. Commander Borge also warned that peace cannot be achieved without problems and concessions, although this does not mean that negotiations will result in taking away land that was given to the peasants.

Interior Minister Borge said that within the context of the Guatemala agreement, a considerable reduction of Cuban military advisers in Managua may be negotiated. In exclusive statements to Radio Sandino, he also said that there are unchangeable principles that cannot be negotiated but concessions must be made that do not endanger the revolution's principles. Commenting on the number of political prisoners in the country, he said there are approximately 8,800 prisoners in Nicaragua, of whom approximately 3,000 are former Somozist guards, and more than 1,000 are contras captured during various clashes.

Commander Borge spoke of the United States' political weakness after the signing of the Guatemala agreement due to the broad and cohesive domestic and foreign support the agreement has received. The political impact of the Guatemala agreement on the counterrevolutionaries has weakened the U.S. effort to prevent peace in Central America. Borge also announced that the government is studying a future amnesty that will be governed

by important political decisions and the degree of simultaneity in the fulfillment of the Guatemala agreement in Central America.

[Begin recording] [Reporter] Commander Borge, how important could the implementation of the amnesty be within the next few months?

[Borge] It seems to me that peace in Nicaragua will be achieved through a natural process. Much has been said about the U.S. Government having the right to veto, and to some extent this is true. In practice the United States has vetoed the peace agreement, but it may not be able to implement the veto because of the support the peace agreement has received, and because this support may influence the counterrevolution and unleash a process, a force that could prevent the U.S. Government from hindering peace.

For example, there are the results of accepting the amnesty. It is obvious that the counterrevolution cannot win militarily. Day by day it is increasingly evident that the counterrevolutionaries cannot attain power in Nicaragua through an armed struggle. The blows dealt by the Army to the counterrevolutionary sector are relevant and clearly obvious. There is an increasing awareness on the part of the contras that they cannot attain a military victory. Therefore, they may make changes to improve quality at a certain time. They wait for an opportune moment. It is possible that at any given time the acceptance of the amnesty could increase to the point of mass acceptance, which would seem natural because of the guarantees offered by the revolution, the job opportunities offered the counterrevolutionaries, the true respect offered those who accept the amnesty, etc. In practice, this natural process of ending the counterrevolutionary armed struggle may lead to peace and the fulfillment of the Central American peace agreements.

[Reporter] How many rebels have accepted the amnesty so far? What are the figures collected by the Interior Ministry?

[Borge] Well I must admit that after the agreement there have been many acceptances of the amnesty, but I do not have the exact figures.

[Reporter] [Question indistinct]

[Borge] Meanwhile, there have been counterrevolutionary casualties. Yesterday, I was informed last night that a counterrevolutionary leader—I cannot remember his name at this time—was killed on the Atlantic Coast. However, I cannot offer figures at this time, but it is good that you have reminded me so I can keep a daily tally of the amnesty acceptances.

[Reporter] [Words indistinct] that at any given moment the United States would carry out what has been described as the counterpolicy whereby the contras will act politically. Is it not a danger to have this many people return? How will the revolution handle this problem?

[Borge] I believe there will be problems, but peace cannot be achieved without problems and concessions. It seems to me that if in theory the 6,000 counterrevolutionaries returned here, and if — theoretically speaking — those in jail were released, it would be somewhat disadvantageous. It is a problem, but a price must be paid for peace. I believe the crime rate may increase with the arrival of all these people. If the 6,000 counterrevolutionaries come, I would imagine that more precautionary measures would have to be taken to prevent them from robbing homes. However, these are problems that may or may not arise. Maybe we will find ways to create jobs for everyone, to provide them with true options so we will not have an unemployment problem. All in all, there may be problems but I believe that there have never been negotiations without concessions. [end recording]

Cardinal Advocates Freedom of Press, Expression
PA072250 Managua Radio Sandino
in Spanish 1200 GMT 7 Sep 87

[Text] Cardinal Miguel Obando y Bravo, president of the National Reconciliation Commission has revealed some of the topics to be discussed during the first meeting, which is scheduled for tomorrow. He said it is necessary to lift the state of emergency and reopen the news media. Cardinal Obando y Bravo stated this during his homily yesterday at the Santo Domingo de la Sierrita parish. The archbishop of Managua said that full freedom of expression would help the National Reconciliation Commission report its activities to the people.

Cardinal Obando y Bravo said: I am part of the commission, and I know that we will face serious problems. The commission might or might not be able to achieve its goals. We must pray to God and seek the solutions to attain an authentic peace. Cardinal Miguel Obando y Bravo announced during his homily at the Santo Domingo de la Sierrita Church that the National Reconciliation Commission will review the proposal to reopen *La Prensa* and Radio Catolica, and to lift the state of emergency. He was cautious about the National Reconciliation Commission's role, and said that the commission might or might not attain progress. He said wisdom is necessary to handle the country's problems:

[Begin recording] The National Reconciliation Commission, which you are aware of, will hold its first meeting next Tuesday, God willing. However, there are many doubts about the commission; there are many doubts [repeats himself]. We will hold the first meeting, and I ask all Christians to pray. The Bible says: When two or three people meet to praise Christ, he will be present at the meeting; and if they pray with faith, he will heed those prayers — and more than two Christians are praying here. The church prays to God, so that He may enlighten our minds and move the hearts of [words indistinct] so that we may choose the correct road for a better future — so let us pray.

I do not know...[changes thought] As far as I am concerned, I will try to keep you up to date, at least by using

this microphone; and if I do not have a microphone, I will use my voice — which can be clearly heard if I raise it — to keep you informed. We hope that other news media will be opened in accordance with the document signed in Guatemala City, which mentions taking the necessary steps to lift the state of emergency and allow full freedom of expression. I believe that this full freedom of expression would allow the National Reconciliation Commission to keep the population up to date on its actions.

Mrs Violeta [Chamorro] visited me and then sent me a letter. She told me, personally and through the letter: Cardinal, I am ready to open *La Prensa* tomorrow if the censure is lifted and there is freedom of expression — and thus be able to report to the world everything concerning the National Reconciliation Commission. Consequently, let us ask Him to help us, give us strength, and enlighten us, because Nicaraguans need Solomon's wisdom; he did not ask God to kill his enemies. He did not say: Lord, turn all my enemies into dust. He did not say: Lord, give me gold, silver, and riches. He became quite wealthy, but he did not request this. He said: Lord, grant me wisdom, because I have to govern a huge nation, and I am [word indistinct], so grant me this wisdom. The Lord granted him wisdom, and gave him wealth, because I think he had much gold and silver. However, he only requested wisdom, and the Lord gave him wealth as a gift — even though he had only asked wisdom. That is what we need in Nicaragua: Wisdom to seek the people's welfare. (end recording)

Humberto Ortega EPS Day Speech

PA031555 Managua Radio Sandino in Spanish
1514 GMT 2 Sep 87

[Speech by Nicaraguan Defense Minister Humberto Ortega Saavedra, at ceremony marking the 8th anniversary of the founding of the EPS, on San Jacinto farm — live; broadcast in progress]

[Text] ...reaffirming the patriotic commitment and revolutionary convictions of the Nicaraguan people to continue defending our right to self-determination, our national sovereignty, the interests of the people, and the people's Sandinist revolution.

The Army is accompanied by the comrades of the Interior Ministry [MINT], by the Nicaraguan patriots who remain determined to push ahead within the framework of the revolution, and by patriots such as Dr Rafael Cordoba Rivas. The Army is the vanguard of the working people, workers and peasants. Our Army is in fact supported by the strong legs of our peasants and workers, and by the proud hearts of our courageous and selfless youths. It is supported by our men and women. Throughout these years, these men and women have learned to be like the men of yesterday — courageous, revolutionaries, patriots — in this land.

We, the EPS members, Commander Tomas Borge and I, on behalf of the FSLN National Directorate, today want to reaffirm on this historic date that this is a time when

the U.S. Administration stubbornly continues supporting the path of war and interventionist escalation, and that we have been facing and defeating them. This is a time when the alleged defenders of justice and democracy in the United States run a train over U.S. citizen Brian Wilson just because he peacefully protested against U.S. aid to the stateless mercenary forces sponsored by the U.S. Administration. This is a time when the commitment to peace and serious negotiation efforts begun by the Central American peoples is ignored. In the past, these Central Americans were united in the struggle against the U.S. invasion in 1856 and 1857. During that time, Central Americans followed the example of their founding fathers — such as Mora in Costa Rica and others — and joined forces to defeat William Walker.

Central Americans are also presently joining forces to decide our destiny. However, U.S. aggression continues to halt this effort. The United States is increasing its military support to its mercenary forces to shed the blood of the Nicaraguan people. This is a time when our people are encouraged by the peace efforts. However, our people continue to hold the rifle of liberation strongly as the fundamental and vital guarantor of the peace process and the sacred interests that our ancestors defended here in San Jacinto in the past, and which Nicaraguans are defending today.

On behalf of our fighting people, the EPS, marking its 8th anniversary today; our selfless border guards; our BLI [Battalions for Unconventional Warfare]; [word indistinct]; the different ground units that implement the campaign plans hastening the total defeat of the mercenary forces; we, all EPS members, want to reaffirm today that we are going to continue reinforcing our spirit of struggle, our revolutionary conscience, and fighting morale. We are going to continue reinforcing our decision. In the current process of maturation toward peace, in the current process of reconciliation being promoted by our revolution in the search for peace, we want to reaffirm that we will continue to guarantee the revolutionary gains, as we have been defending them since 19 July 1979. We will never at any time leave behind the process of negotiations.

In the civic arena, we are adversaries [as heard] of the diverse political forces that in one way or another are supporting the framework of revolutionary change begun on 19 July. We are the enemies of those who want to destroy the framework of revolutionary changes. The United States, its mercenary forces, its stateless forces, and the rightist sectors which want to have the kind of democracy that runs a train over a person peacefully protesting aggression against a little country are our enemies. They are the enemies of Nicaragua, the framework of revolutionary change, the mixed economy, and political pluralism. Those who want to return to exploitation and oppression, those who want the Army, police, and MINT to be instruments to defend the interests of the exploiters and big capitalists, are opposed to this revolutionary, democratic, new, Sandinist process.

In the past, we saw imperial ambassadors subjugating our people and supporting Somoza. They gave us a legacy of backwardness, poverty, and sorrow. Therefore, in this process in the search for peace, we will continue striving so the land that we turned over to peasants remains in their hands. This land will continue belonging to the peasants as long as they know how to defend it with the weapons we have given them, as they are defending it now. [applause]

The Army and the Interior Ministry will continue to guarantee all the historic changes that have been taking place here for the benefit of our people since the 19 July triumph. We will never permit any of the achievements of our peasants, workers, and people in general to be harmed in any way in this process of political negotiation that our revolutionary government is promoting in favor of peace. [applause]

We want to ratify that we will continue supporting this process by strengthening combat in the military field and by strengthening our military organization and the patriotic spirit and morale of the Army, the Interior Ministry, and all the people to face even the direct aggression that Reagan insists in preparing against our country despite this negotiation. That is why we have held this ceremony today on this historic San Jacinto farm. We are going to march to the hill here on this historic farm with the Nicaraguan and FSLN flags and with the revolution's banner to begin the patriotic month of September, which all our people commemorate to honor their deeds, forefathers, and revolutionary leaders. With this symbolic ceremony, with this symbolic march, we are confirming that Nicaragua will continue forward with the FSLN, with the revolution, and with our heads held up high — without surrender and without yielding even in the face of the greatest threats that Yankee imperialism insists on making against our people.

Free fatherland! [crowd replies: "or death"]

Costa Rica Signs Border Agreement

*PA051850 Managua Radio Sandino
in Spanish 1200 GMT 1 Sep 87*

[Text] Nicaraguan and Costa Rican authorities have signed a commercial exchange agreement to open a border area that was controlled by the Somozist mercenaries for several years. Nicaraguan Foreign Trade Minister Alejandro Martinez and Costa Rican Foreign Trade Minister Luis Diego Escalante said that the agreement was attained as a result of the peace plan signed by the Central American presidents on 7 August. The Central American presidents' efforts to attain peace through the Esquipulas II agreement have begun to bear fruit, the Nicaraguan minister said. Likewise, the Costa Rican minister stated that the uncertainty that prevailed among people living in the border areas is a thing of the past. The people were subjected to the Somozist counterrevolutionaries' actions many times.

Panama

'Secret' Civic Crusade Document Revealed

PA041455 Paris AFP in Spanish 1339 GMT 4 Sep 87

[Text] Panama City, 4 Sep (AFP) — Should Panama's opposition National Civic Crusade come to power, it plans the demilitarization of the public administration and a "Panamanian solution" to the current crisis that rejects any U.S. or Soviet option.

In addition, the secret document under discussion, which AFP had access to, proposes reviewing with the United States the treaty on the neutrality of the Panama Canal, drafting a new political constitution, and making the payment of the foreign debt contingent upon a national economic program.

Likewise, the opposition states that if it comes to power it will establish diplomatic relations with all countries, respect the principles of non-intervention and the free determination of peoples, and reorganize state institutions to separate them from the military.

For the past 3 months, the National Civic Crusade, comprised of over 100 trade, business, and political associations, has been leading the largest antigovernment protests in Panama's history. It is demanding democracy and the dismissal of strongman General Manuel Antonio Noriega.

The Panamanian Government is accusing the opposition of trying to topple it and has issued warrants for the arrest of six Crusade members. Two of them are in exile in Venezuela.

The five-page document titled: "Work Program for the National Civic Crusade," states that there are three solutions to Panama's crisis: pro-Soviet, pro-U.S., and a Panamanian solution.

According to the opposition, the pro-Soviet option would include Panama in the international division of socialist work. The result would be "to do away with one dictatorship in order to install another resulting in U.S. mobilization and a trade embargo."

"If we chose the pro-U.S. option, we would have to accept militarism as it exists now" and "we would have to pay the foreign debt as has been agreed on," the Crusade's document states.

The Civic Crusade endorses reviewing the Neutrality Treaty signed with the United States in 1977. This agreement allows the United States to intervene in the country in case of armed conflicts.

In regard to the "National or Panamanian Program" that the Civic Crusade will adopt, its members affirm that its starting point must be to accept the crisis that is shaking the country as political, social, and economic "because democratic liberties are not respected, the unemployment rate went up, and the domestic market is contracting."

The Civic Crusade members feel that the bias in Panama's Judicial Branch, low national production, and a day-to-day decrease in the people's purchasing power are some of the causes of the crisis.

In their interpretation of the facts, the opposition members maintain that "the U.S. Pentagon told Torrijos — Panamanian leader who ruled the country from 1968 until his death in 1983 — to open diplomatic and trade relations with Cuba in 1974. In exchange, Cuba agreed not to foster or support any guerrilla movement in Panama."

"The military's political program excellently maintained this stability. It succeeded in getting the CIA, international financial sectors, and major businesses to coexist and concur with international communism," the document states.

The document adds that "fortunately for Panama" other options emerged with the formation of the opposition movement, the Coordinating Board for National Civilianization, at the end of 1984. Doctors, teachers, lawyers, and businessmen participated in the movement that sought to express its opposition to the military.

The document also mentions the emergence of the National Civic Crusade at the end of June 1987. It adds that with it "a new movement that is completely separated from the major international power bloc has been created."

Crusade Not responsible for Report

PA051335 Panama City LA ESTRELLA DE PANAMA
in Spanish 5 Sep 87 pp A1, A14

[Text] The National Civic Crusade has sent a note to the director of this newspaper saying that it wishes to clarify to the public that the report published by this newspaper on

Friday, 4 September, entitled "Crusade Prepares Plan for Current Crisis," was not prepared by the National Civic Crusade, nor does the Crusade have any knowledge of it.

Following is the full text of the note:

4 September, 1987

Mr Tomas Gabriel Altamirano Duque
Director of LA ESTRELLA DE PANAMA

Sir:

The National Civic Crusade hereby reports to all citizens that the report published by LA ESTRELLA DE PANAMA on Friday, 4 September, reporting that "the National Civic Crusade is preparing a national plan to resolve the country's political and socioeconomic crisis was not prepared, discussed, or known by the Crusade. [quotation marks as published]

Therefore, we wish to state that the only official publications the National Civic Crusade has are: "THE CRUSADE, and THE CIVILIAN."

Yours Truly,
National Civic Crusade
Carlos Ernesto Gonzalez de la Lastra c.c media,
foreign correspondents

Argentina

National Cabinet Resignations Reported, Denied PY080204 Buenos Aires DYN in Spanish 0026 GMT 8 Sep 87

[Excerpt] Buenos Aires, 7 Sep (DYN) — All national cabinet members today tendered their resignations to President Raul Alfonsin. Successive high-level meetings were held today at the Olivos residence in the face of the outcome of yesterday's election, which has deeply shaken the government.

Deputy Leopoldo Moreau admitted that the cabinet had resigned when he said: "Anywhere in the world the defeat of the ruling party entails the need for the cabinet members to tender their resignations to the chief of state." Moreau added: "This does not mean these resignations should be accepted or rejected immediately."

According to reliable sources, the cabinet members — especially the members of the economic team and the president's "closest advisers" — have conveyed to the president their decision to leave their posts, but the president told them he would think about their decision. The sources added that the president's decision will not be made public immediately. However, while meetings were being held at the presidential residence, it was learned that Agriculture, Livestock, and Fisheries Secretary Ernesto Figueras tendered his resignation to Economy Minister Juan Sourrouille.

The sources did not reveal when President Alfonsin would make a decision. However, deliberations continued at Olivos late tonight. Present at the meeting are Sourrouille, Juan Carlos Pugliese, head of the Chamber of Deputies, and other leaders of the ruling party.

Interior Minister Troccoli Admits UCR Defeat PY070346 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0330 GMT 7 Sep 87

[Text] Buenos Aires, 6 Sep (NA) — At midnight tonight, Interior Minister Antonio Troccoli admitted that the Justicialist Party [PJ] has defeated the Radical Civic Union [UCR] in today's elections. He also said [words indistinct] the government "will share responsibilities."

Answering questions about possible cabinet changes in view of the UCR's defeat, Troccoli said the issue of resignations "is the exclusive responsibility of the president."

Troccoli made these statements tonight at the Interior Ministry.

Assesses Peronist Victory

PY071747 Buenos Aires DYN in Spanish 1210 GMT
7 Sep 87

[Quotation marks as received]

[Text] Buenos Aires, 7 Sep (DYN) — After acknowledging the defeat of the Radical Civic Union [UCR] party in the elections yesterday, Interior Minister Antonio Troccoli said: "Now the Justicialist Party [PJ] will share the

administration of the country during this transition period" until the next elections.

Troccoli appeared last night in the Coat of Arms Hall of Government House, where hundreds of journalists were eagerly awaiting him. His voice was calm although it did not hide his sorrow for the defeat of his party when he said the majority of the votes had gone to the PJ.

Explaining the electoral results, which showed an overwhelming victory for the PJ in Buenos Aires Province, the minister said the transition process that started in 1983 has been "complex and costly because we have had to struggle on all fronts." "We were not able to achieve what the majority of the people wanted," the minister said in a slightly sorrowful tone, adding that this has caused voters to switch in favor of the opposition.

"The country is in a difficult situation," Troccoli said, adding that "now the PJ will share the administration of the transition period in very important fields." Therefore, "we will try to reach political agreements in order to respond better to the difficult national situation."

Asked about possible Cabinet resignations, Troccoli said: "This is the exclusive decision of the president, who cannot be influenced by these results." He added that the UCR defeat "must not be interpreted as a catastrophe," because President Alfonsin "maintains full control over the administration."

The minister explained that "we have not made concessions or taken the easy way out and now we are facing the results of that policy." He expressed his hope that the new governors "will allow us to talk with them to make the national and provincial policies more compatible," as "we have been doing so far."

Many government officials, including Defense Minister Horacio Jaunarena, spoke at the press conference. Troccoli opened the conference by saying: "instead of a press conference, this is an evaluation of the election return figures, which at present already show a definite tendency." He added: "I believe the PJ has won, it has regained some of the votes." "The UCR won a smaller number of votes, which has allowed the PJ to win in many provinces, like the Province of Buenos Aires," Troccoli said.

"My first words will be to praise the election process, since more than 80 percent of the citizens went to the polls, thus forming a majority that has elected the PJ in many provinces and the UCR in others," the interior minister added.

He expressed the government's "greetings," and acknowledged "those who are about to assume power in the provinces, and the future congressmen." He said the elections yesterday were "important and far-reaching since more than half the Congress will be renewed."

Troccoli denied that the UCR defeat could be attributed to the latest economic measures, adding "if that had been the problem the UCR would not have done as well

as it did in districts like the Federal Capital and Cordoba." He said the election results respond to "circumstances, since the current situation is very complex and costly to the government."

Asked if the election results would hinder any government projects, Troccoli said this "would have to be evaluated calmly by the government and the president." "I do not believe this is the appropriate time to make an analysis, after a long day and after having remained awake all night. We must carefully analyze the results to see whether this is a punishment or a lapse."

Asked if it is true that President Alfonsin held meetings with the ministers yesterday, Troccoli said: "The president did not hold formal meetings. He dedicated his day to following the vote tally."

President Alfonsin Congratulates Governors-Elect
PY080135 Buenos Aires TELAM in Spanish 2042 GMT
7 Sep 87

[Text] Buenos Aires, 7 Sep (TELAM) — President Alfonsin today sent a congratulatory telegram to all governors who were elected yesterday. In the telegram, the president wishes the governors-elect success in their administrations and adds that he hopes they will work together to serve the people, and achieve coexistence and well-being for Argentina.

The message, sent to elected provincial governors regardless of party or ideological distinction states: Having been elected by the will of the people in an exemplary civic dispute which has decisively contributed to the strengthening of Argentine democracy, I hereby extend my warmest congratulations. After yesterday's civic event, which has enlivened the citizens' rights to express their will, I wish you success in your administrations and hope we can work together to serve the people, and achieve the coexistence and well-being of the people. My warmest congratulations.

Denies Second Term Bid
PY071850 Buenos Aires BUENOS AIRES HERALD
in English 7 Sep 87 p 7

[Excerpt] President Raul Alfonsin said yesterday that in the 1989 presidential elections he would vote "as a simple citizen," thus denying once again that he planned to run for re-election.

These remarks were made in a brief conversation he held with journalists after casting his vote in Chascomus, his hometown.

Some 100 reporters, photographers and cameramen waited outside the dark room where the president remained for about one minute before coming out to cast his vote.

Some 50 people were waiting to greet the president when he arrived at Chascomus' School No 1, and approximately 50 members of the Alfonsin family voted at the

same institution. The president was flown to Chascomus and back to the Olivos presidential residence by helicopter. [passage omitted]

UCR Deputy Congratulates Peronists on Victory
PY071457 Buenos Aires TELAM in Spanish 1237 GMT
7 Sep 87

[Text] Buenos Aires, 7 Sep (TELAM) — Deputy Cesar Jaroslavsky, leader of the Radical Civic Union [UCR] bloc in the Chamber of Deputies, today expressed his sincere happiness over the Justicialist Party [PJ] victory in the elections because now the PJ assumes responsibility for the people's decision, thus consolidating the democratic system.

Jaroslavsky, deputy for Entre Rios Province, said the election results will not affect the constitutional reform, because he believes the PJ agrees with the reform. Regarding the (presidential) reelection issue, he said he does not believe it will affect the PJ.

In comments to Radio Continental, Jaroslavsky said an agreement between the two parties has always been sought. He said the PJ will now be able to consolidate its organization, which so far has been somewhat anarchic due to lack of representation. Such consolidation will facilitate a serious dialogue that favors the interests of the country.

Jaroslavsky extended best wishes to the newly elected Buenos Aires Vice Governor Luis Macaya of the PJ, who also participated in the radio program. Jaroslavsky added: I wish you success, and hope you will be able to do things better than we did. I do not know if we will be able to do things better or not, but I think we will have to do it together, Macaya replied. Macaya said constitutional reform is wanted by 30 million Argentines. Such reform must emphasize social issues. Macaya said: I do not believe the re-election issue is the most important thing; it should be discussed along with constitutional reform in the Chamber of Deputies. Macaya added that he believes a dialogue with the UCR and other parties that favor the same objectives is necessary.

Intransigent Party Leader on Election Results
PY071549 Buenos Aires NOTICIAS ARGENTINAS
in Spanish 1300 GMT 7 Sep 87

[Text] Buenos Aires, 7 Sep (NA) — Oscar Alende, Intransigent Party [PI] president, today qualified the electoral results of yesterday as "a vow to punish those responsible for the economic management." He said "political life must now be strengthened, national unity for our freedom must be consolidated, and the international economic powers that abuse national sovereignty must be faced."

Alende was asked whether the weak participation of the PI in the elections facilitated the Peronist victory over Radical Civic Union candidate Juan Manuel Casella in Buenos Aires Province. Alende replied: "The people

chose the most meaningful way to express their rejection and punish those responsible for the deterioration we have been denouncing for so long."

"The government did not listen to what we repeatedly said in the Chamber of Deputies: for example, our request to submit Economy Minister Sourrouille to a political trial by the deputies," the PI leader said.

Alende denied that the center-rightist parties grew stronger in this election, since "those who voted for Alfonsín in 1983 are now looking for a new path."

Alende said he expects President Raul Alfonsín "to listen more to the opinions in defense of democracy because so far he has not paid attention to them. We told him in 1985 what would happen and he did not listen to us. Instead, he sided with the technocrats and representatives of the international banks, and this is how he fared."

Alende rejected criticism by Alvaro Alsogaray, who said the PI did not do well in the elections because the left is retreating everywhere in the world. To this, Alende said "the PI is a nationalist left." He remarked that the Peronists and Radicals are not compatible with rightist economic ideas."

Soviet Foreign Minister to Visit 30 Sep
PY072033 Buenos Aires TELAM in Spanish 1835 GMT
7 Sep 87

[Text] Buenos Aires, 7 Sep (TELAM) — The Argentine Foreign Ministry reported today that Soviet Foreign Minister Eduard Shevardnadze will visit Argentina from 30 September to 15 October at an invitation of the Argentine Government.

During his visit, Shevardnadze will review several topics related to bilateral relations and political aspects, including the possible Argentine participation in the Group of Six for world peace.

Bolivia

Government, Teachers Sign Final Agreement
PY041522 La Paz La Red Panamericana in Spanish
1130 GMT 4 Sep 87

[Excerpt] At approximately 0400 this morning, an agreement was signed between government representatives and teachers to solve the conflict affecting the education sector. Reporter Cristina Corrales will give us further information on this.

[Begin recording] A little past 0400 this morning, a 10-point document was signed, thus solving the teachers conflict. After tough arguments at the British Catholic School, teachers, Bolivian Labor Confederation representatives, and Catholic Church representatives signed the agreement and reached a final solution to the problem.

Msrgr Luis Sainz presided over the meeting. At the end of the meeting he expressed his satisfaction over the agreement reached by the two parties. He added that the two parties fully agreed to sign this document.

The 10-point document contains the following: The first point states that the teachers promise to fulfill the 200-day school term, as provided for by the Bolivian Education Code. This means school activities will be extended well into February in the western part of the country, while in the eastern region school activities will be extended to 3 February, because according to measures adopted by the Education Ministry, 1988 activities must begin on schedule.

The second point says the special bonus will be paid to teachers within the next few hours. A total of 373,286 Bolivian pesos will be equally divided among 78,300 teachers. As you know, the commission that had investigated this matter has concluded that there are approximately 73,000 and not 79,000 teachers. The final conclusion is that there are 78,300 teachers in the country, as established by the commission made up of government and teacher representatives. Each teacher will then receive 196 Bolivian pesos.

Another point of the agreement states that if teachers do not fulfill the 200-day school year, the days not completed will be subtracted from their salaries as of 1988. Another point says that days not worked during the past strike will be paid, based on the commitment that the 200-day school year will be fulfilled as soon as possible so as to begin the next school year on time.

The document also establishes that a salary increase for 1988 will not be based on any negotiation because this increase has already been established in the 1988 budget. [passage omitted] [end recording]

Foreign Minister Evaluates National Situation
PY060010 Madrid EFE in Spanish 0838 GMT 5 Sep 87

[Text] La Paz, 5 Sep (EFE) — Bolivian Foreign Minister Guillermo Bedregal Gutierrez today said the Bolivian Government will relax the harsh economic policy it imposed in August 1985 in order to meet social expectations and avoid conflicts that might destabilize the democratic process.

The Bolivian foreign minister admitted that the government economic policy has been strict in order to prevent a new inflationary explosion. It has nonetheless "increased social expectations," and this will put pressure on the government in the next few months, as the municipal election campaign approaches.

In 2 years, the administration has been forced to impose two states of siege to control social pressures, and it nearly declared a third during the recent teachers strike for salary increases.

During a press conference with foreign journalists, Bedregal said the government "will be more flexible with the economic model without causing inflation. Bedregal

said the main base of the economic model is tax reform because the Argentine delay in paying its debt for gas purchases from Bolivia diminished Bolivian revenues by 30 percent, which nearly reactivated inflation. "The country is surviving on the tax reform, and if it were not for the taxes, Bolivian inflation would be 5,000 percent right now," Bedregal said.

Bedregal also referred to the popularity of President Victor Paz Estenssoro, who will be 80 on 2 October. He said according to a poll conducted by the government in three cities, 47 percent of the 2,500 people surveyed said Paz Estenssoro "is a good president" and has been able to overcome political and social issues. Bedregal added that 20 percent said Paz Estenssoro "was not a good president" and that the rest of the people in La Paz, Cochabamba, and Oruro, which form the main political axis of the country, did not express an opinion. The same poll showed that 18 percent of the people surveyed believe the "best political parties" are the ruling National Revolutionary Movement (MNR), and the Nationalist Democratic Action (ADN).

Seven percent favor the Movement of the Revolutionary Left (MIR), and 4.5 percent favor the 9 April Revolutionary Vanguard, headed by Carlos Serrate Reich. Many people said they believe the Civic Committees (organizations that defend regional interests) are more effective than the political parties.

The foreign minister said President Paz is popular because he has been able to achieve economic stability and maintain democracy. According to Bedregal, part of the economic stability can be attributed to a so-called "pact for democracy," signed in 1985 between President Paz and former President Hugo Banzer Suarez, the leader of the ADN, who also ran for president 2 years ago. Bedregal said if Paz had not signed the pact, we would have had a conflict between the executive and legislative branches, since the ADN holds the majority of seats in Congress.

However, Bedregal said the pact was "short-lived" because of "the irritation created by the censure by the ADN in Congress of Education Minister Enrique Ipina Melgar, which will be difficult to overcome." The censure resulted from the handling of the teachers strike, which lasted 48 days and led to clashes with the police. As a result of the censure the two parties decided to campaign separately for the upcoming municipal elections to be held in December.

Guillermo Bedregal said the government party is still studying the electoral strategy for the municipal elections "in which the popularity of the candidates is more at stake than political ideas or programs."

Bedregal, who is the promoter of unprecedented government actions, said President Paz Estenssoro's age is the government party's main advantage over its opposition. He added that as a result of "such a particular" reasoning, the best slogan for the government in the December municipal elections will be: "supporters of Paz Estenssoro will make the best mayors."

International Banks Reject Bond Proposal

PY021402 La Paz PRESENCIA in Spanish 23 Aug 87
p 1, 10

[Excerpt] The National Association of Private Banks [ASOBAN] has reported that the international creditor banks will not accept payment in bonds, as proposed in Decree 21,660.

It is a question of substituting the foreign debt of the private banks with bonds that will be issued by the Bolivian Central Bank which will in turn pay the foreign debt of Bolivia's private banks pertaining to the credits in dollars that were converted into Bolivian pesos at a fixed exchange rate [dedollarization to eliminate the effects of exchange rate fluctuations] back in 1982 when the Bolivian Central Bank was compelled to repay in dollars those debts to foreign banks. This was ordered through Supreme Decrees 19249 of November 1982, 19250 of 2 November 1982, 20028 of 10 February 1984, and 20173 of 14 April 1984 and their additional regulations.

In this regard, ASOBAN President Luis Eduardo Siles said: "We were offered bonds with a 25-year term without interest. This offer was rejected by the foreign creditors of the Bolivian private banks. Let me add that the country is the only one hurt by this rejection because it no longer has any credits and everything bought abroad has to be paid in cash." The foreign debt of the national private banks is \$57 million.

Siles added that the proposal made in Decree 21660 is not feasible. New proposals have been suggested but the foreign debt problem of the national private banks is still unsettled. [passage omitted]

Armed Forces Commander Returns from PRC

PY041150 La Red Panamericana in Spanish
0000 GMT 4 Sep 87

[Text] General Gonzalo Saavedra, commander in chief of the Bolivian Armed Forces, has returned to the country along with high-ranking Bolivian officers after visiting the PRC. He held a meeting with President Paz Estenssoro at the Presidential Palace, after which he said their impression of the PRC is most favorable. This is what Saavedra said:

[Begin recording] "We were really impressed; it is a developing country; we were impressed by the people's discipline and capacity for work. We could see that by implementing a great opening toward all countries the PRC is achieving considerable progress. As to agreements, [words indistinct] contact. We had a chance to see the country, we had the opportunity to visit six cities where we were able to see military factories, factories that produce telecommunications equipment, handicraft factories and other installations. We also [words indistinct] Military Institutes of the Armed Forces. [end recording].

Gen Saavedra added that relations with the PRC benefit Bolivia. He concluded by saying that upon his return he

found absolutely normal conditions in the Armed Forces, which means their decision to support the current democratic system remains unchanged.

Brazil

Bresser Pereira Departs for Vienna, Washington

PY041908 Sao Paulo FOLHA DE SAO PAULO
in Portuguese 3 Sep 87 p A19

[Interview with Finance Minister Bresser Pereira before he departed for Vienna and Washington to renegotiate the long-term foreign debt, on 2 September, on his way to the airport in Rio de Janeiro, by Folha de Sao Paulo reporter Armando Ourique]

[Excerpt] [Passage omitted] Folha: What is the proposal you will present to U.S. Treasury Secretary James Baker at the meeting on Tuesday, and to private creditors by the end of the month?

Bresser: We do not yet have a full proposal, but we will have it when we meet with the bankers between 20 and 30 September. We have basic proposals with some alternatives. We are going to propose that the private banks divide our overall long-term debt (\$67 billion) into new and old debts. The old debt will be negotiated under the traditional terms. We will finance the interest. The new debt will be turned into long-term bonds, with a discount of between 25 and 30 percent in relation to the real value of the loans. Those bonds will have a 10-year grace period with a staggered payment of the principal over the following 25 years. The discount of between 25 and 30 percent could be temporary, because one of the alternatives for Brazil will be to pay that discount difference when the bonds fall due after 35 years.

We will say when the bonds fall due (year 2022), Brazil will pay the discount provided it is in a good situation, at a good development level, and with a good balance of payments. This is a new but competent proposal that will not violate market or bank laws.

We will give absolute payment guarantees regarding the new debt (50 percent of the overall debt that was changed into long-term bonds). We cannot give the same guarantees regarding the old debt, which will be negotiated by the old system. For the old debt, we are going to propose financing the payment of interest. I would like very much to turn 100 percent of the debt into a new debt. But I want to offer guarantees to creditors that both the principal and interests of the new debt will be paid on schedule, according to the terms agreed upon. For this reason I can only change 50 percent of the debt into new debt. Some newspapers reported today that we will reportedly propose a discount of 45 percent for the new debt. The 45-percent discount is the amount of discount of the debt which is being negotiated at the secondary market. We are going to propose a discount of between 25 and 30 percent.

Folha: Will the conversion of the debt into investments be presented to the bankers as an option of the old or new debt?

Bresser: Of the new debt. The bankers will be able to choose between long-term bonds or changing the debt into investment. We hope to make a broad change of the debt into capital. This mechanism will be important to stimulate Brazilian investments. This conversion will be made either from overdue interests or from the principal of the debt.

Folha: How long do you think these negotiations will take to end the moratorium?

Bresser: It depends on the imagination of bankers, of their understanding that this new idea is beneficial to both for us. It also depends on the imagination of U.S. authorities who have been very reluctant to accept new proposals. If they accept those proposals, negotiations will end quickly. If they find them aggressive and decide to "beat around the bush," then negotiations will be long.

Folha: Will Brazil resume partial payments of interests or try to achieve an agreement with the IMF before the conclusion of the negotiations?

Bresser: No. Payments of interest will resume only after the conclusion of negotiations. When negotiations conclude, we must begin negotiations for a "stand-by" [preceding word in English] accord with the IMF, which is in our interest for our integration in the international financial system. [passage omitted]

Pleads For Debt Reduction

AU041819 Paris AFP in English 1814 GMT 4 Sep 87

[Text] Vienna, Sept 4 (AFP) — Brazilian Finance Minister Luiz Carlos Bresser Pereira pleaded in Vienna on Friday for a foreign-debt reduction for Brazil and the Third World to a "realistic level", allowing for market situations.

He was speaking to the fourth "U.S. Congressional Summit", a meeting of financial and economic experts from industrialized and Third World countries organized at the initiative of members of the U.S. Congress. The first three such conferences were held in Washington, Zurich and New York (the latter last December).

In commenting on the continuing international debt problem, Mr Bresser Pereira said that "Part of the existing debt is not collectible . . . Full interest payment has proved to be incompatible with sustained growth, with control of public finance, and with price stability . . ."

"If the market value of the debt represents 50 percent of the contract value, a market-oriented solution may be the 'securitization' of the debt, taking into consideration the market indications.

"Two modalities of 'securitization' might be envisaged: the first is to securitize the existing debt below the face value and schedule payments for a reasonable number of

years, at market interest rates. The second is to maintain the face value of the debt, but to restructure it at fixed interest rates, below the market (rates)."

Experts commented that the minister was vague about the issue of governmental or banking guarantees of such "new" debt. He said that "Creditor countries might consider it in their interest to associate themselves in providing for some kind of guarantee for the restructured debt. The surplus countries, whose assistance in solving the debt problem is expected, may prefer to concentrate efforts on a lasting solution, rather than on short-term relief.

"The multilateral financial institutions and the new debt management agency to be eventually created might well join together in guaranteeing the new debt . . ."

On Thursday, Argentine Finance Minister Mario Brodersohn also came out at the same forum, but in more general terms, for a new strategy on debt repayment, which he called indispensable for restoration of world economic growth.

The two ministers, speaking three weeks before the International Monetary Fund and the World Bank meeting in Washington, won support from several participants. U.S. Senator Bill Bradley, one of the promoters of the forum, spoke on Thursday in favor of lowering the interest rates the indebted countries have to pay, but did not favor a substantial reduction of the debt itself.

Bankers attending the conference were skeptical about the feasibility of the "Brazil plan". Jean-Claude Trichet, president of the Club of Paris and French Treasury director, said the Brazilian ideas on a guarantee system were "rather unclear".

Gives Speech in Vienna

PY060234 Sao Paulo O ESTADO DE SAO PAULO
in Portuguese 5 Sep 87 p 20

["Text" of speech by Finance Minister Luiz Carlos Bresser Pereira at U.S. Congressional Summit in Vienna on 4 September]

[Text] Mexico suspended its foreign debt payments in August 1982. By August 1987, seven Latin American countries had stopped paying interest to private banks. Although 5 years have elapsed since the debt problem erupted, it remains unsolved. Moreover, there are signs that it is getting worse.

2. [Numbers as published] The debt-export ratio in the 10 leading debtor countries climbed from 264 in 1982 to 385 in 1987, that is, it increased by nearly 50 percent. If Brazil and Peru are excluded from this group of countries, the growth rate would be limited to 1.5 percent. In general terms, the debtor countries have not resumed a steady growth: They merely had years of growth alternated with years of recession. As a result of this discouraging situation, the per capita income in Latin America

has not yet regained the level it had in 1980. Despite the adoption of painful adjustment programs, the debtor countries have not succeeded in returning to the financial market, which has been the ultimate goal of their debt strategy.

3. Nor are the creditor countries in a better position today regarding the debt issue. They could not reach, and it looks as though they will not be able to reach in the near future, the level of exports to the debtor countries they had attained in the 1980's.

Furthermore, a growing number of developing countries were forced to suspend their payments to their official creditors. Lending agencies charged with promoting exports have also suspended their loans to some indebted countries, thus jeopardizing developing countries' prospects for expanding exports.

4. It is true that from 1982 to 1987 the creditor banks increased both their capital and their reserves, and have started to reduce their loans to the Third World. Yet, the chances of repaying the debt do not seem any better today than they were in 1982. On the contrary, there are signs in the market — such as discounts on the secondary market, an increase in bank reserves, a depreciation of bank stocks — that clearly show part of the debt cannot be paid. It should be noted that the increase in reserves and the decline in the value of stocks are related to the depreciation of the debt, which is estimated at 50 percent of its nominal value.

5. There are really serious obstacles, internal and external, to fully servicing the debt. The experience of the last few years has shown how difficult it is for the Latin American economies to produce the commercial surplus necessary to pay the interest by restricting foreign currency or additional savings. The effort to expand the commercial surplus through greater devaluation of the currency has led to a situation in which the country exported more to get the same income. The payment of interest proved to be incompatible with sustained growth, with control over public finances, and with price stability. Let us look at these three points:

A. The transfer of real resources, measured by the non-factor trade surplus service [medidos pelos superavit de comercio de servico nao-fatores], which is necessary to pay the interest, depresses the capacity for investments. From 1983 to 1985 the average increase of the transfer of real resources of Latin America (5.3 percent of the GDP) corresponded roughly to the average reduction of investments (5.8 percent). This means that the countries of the region are putting off essential investments in order to service the foreign debt.

B. In many Latin American countries the foreign debt is basically a government debt (70 percent in the case of Brazil). In these cases the payment of interest demands an internal transfer of resources from the private to the public sector in order to allow the government to get from the exporting sector the foreign currency needed to

service the debt. This transfer normally takes the form of additional loans in the market, which increase the public deficit. In Brazil the interest paid on the public deficit is 2.3 percent of the GDP, of which 2.6 percent corresponds to the foreign debt. A higher public deficit affects public investments, while high interest rates discourage private investments.

C. The effort to expand commercial surpluses through repeated real exchange devaluations has created predatory competition among indebted countries in addition to a deterioration in trade relations. Real currency devaluations have two additional disadvantages: they increase the public deficit because a greater quantity of local currency is necessary to pay the same amount of interest, and they also have a negative impact on price stability.

6. There are also external impediments to servicing the debt. The interest rates are still extremely high in real terms and they have recently increased a bit more. There are no indications of a tendency of the interest rates to come down in the near future. In addition to that, growth projections of the OECD countries are down and they must remain below 2.5 percent for the next few years. The *FINANCIAL MARKETS*, which is a publication of Morgan Guaranty, says "if there are no prospects of a strong expansion of exports, the debtors can basically hold the debt in check by restricting imports in order to create sufficient commercial surplus to be able to make the transfer of financial resources to their creditors." In other words, under current circumstances servicing the debt will mean recession once again.

7. The strategy of "muddling through," [preceding word in English] putting off the problem, clearly failed. Nowadays there is a consensus that it is necessary to define new mechanisms and procedures to resolve the foreign debt problem. The debtor countries were the first to point out the deficiencies of the strategy implemented and to suggest other proposals. The U.S. Congress has played an innovative role. Senator Bradley noted the limitations of a model that consists of adding a new debt to an old one (in fact, there is no new money involved because the banks only supply funds that are to be reimbursed to them). Senator Sarbanes, and Congressmen Lafalce, Levin, and Morrison have suggested the creation of an agency to administer the debt. Congressman Schumer proposed more flexible regulations for rescheduling the debt. Secretary Baker emphasized the need for innovation within the framework of "a new menu approach." Academicians have designed and developed new mechanisms for meeting the financial needs of the debtor countries.

8. Several of these proposals are truly interesting and must be carefully examined. First we must carefully listen to what the market has been saying. A market evaluation shows that the debt is not worth 100 percent of its nominal value. It is worth 90 percent, 70 percent, 50 percent, 30 percent, 10 percent, or even less. In fact, the market value of the Third-World debt has steadily

declined. It may have declined by an average of 50 percent of its contracted value. If the market value of the debt stood at only 50 percent of its nominal value, a market solution to the problem could be achieved by converting the debt into bonds at market value. Two ways of addressing the debt problem can be considered: One is to convert the debt into bonds at half its nominal value and to stretch out payments over a reasonable period; the other is to maintain the nominal value of the debt, but to restructure it at fixed interest rates below the market rates. If the debt is restructured in this way, that is, in accordance with the debtor country's ability to pay, the protracted and endless negotiations to obtain new money or to reschedule the principal will no longer be necessary.

9. What guarantee do the creditor banks have that the debtor countries are going to pay the debt restructured in this manner? The creditor countries can consider it in their own interest to participate in making it possible for the debtors to pay the restructured foreign debt. The countries with surpluses whose contribution to solving the foreign debt problem is expected, may prefer to concentrate their efforts on a lasting solution instead of temporary relief. The multilateral financial institutions and a new agency, to be eventually created to administer the debt, could join together in a plan to make possible payment of the restructured debt. However, the real guarantee of payment should be based on the efforts of the debtor countries to adjust and grow once the burden of the debt and the transfer of resources are reduced to realistic levels.

10. A solution of this type would bring advantages for all:

A. The debtor countries would have the necessary resources to invest and grow. In addition to that, they could stimulate internal and external investments by eliminating the environment of instability created by frequent negotiations and sporadic threats of suspending payments.

B. The guarantee of payment of the foreign debt would also bring a stabilizing effect to the banking system and would prevent an additional drop of the value of the debt and the bank shares in the stock market.

C. Finally, the creditor countries would gain the possibility of expanding their exports to markets which have proven to be good in the past. The only possibility of increasing the trade of the developing countries is to solve the problem of the foreign debt. Expansion of trade is the basis for a closer and more equitable integration of the developing countries with the world economy.

11. A final question remains unanswered. If the proposed solution is feasible, why wasn't it adopted earlier? The answer is that in 1982, when the crisis erupted, the existing conditions were not conducive to this type of solution. Today, those who have participated in this process have become aware that the muddling through strategy does not work and a portion of the debt will not

be paid. The market has shown that the debt is no longer worth 100 percent of its nominal value. Banks have increased both their capital and reserves and the value of their stocks has declined to adjust to the depreciation of their credit. We must now follow market trends. The debt can be restructured on the basis of its value on the secondary market. This will not undermine the financial system, it will make it more stable; it will not hurt the banks, it will strengthen them. This is the way for creditor and debtor countries to achieve a more dynamic and harmonious integration.

12. Some radical proposals have suggested that the only solution to the foreign debt problem is to reject it. I have deliberately avoided mentioning these proposals because they are unacceptable. To reject payment of the foreign debt would disrupt our financial system. Even if it did not have an impact on the financial system, it would certainly damage relations between developed and developing countries. A guarantee of payment of the debt will, however, be based on a market reality: The depreciation of the real value of the debt. If this depreciation is discounted from the debt, it will create conditions for new mechanisms such as the conversion into bonds of the discounted debt. We could thus effectively resolve the foreign debt problem. This market-oriented mechanism, which will be neither damaging nor disruptive, will be instrumental in normalizing relations between creditors and debtors and in paving the way for a better, desirable participation of the developing countries in the world market.

Milliet Leaves for U.S. To Join Bresser

PY071606 Brasilia Radio Nacional da Amazonia
in Portuguese 1000 GMT 7 Sep 87

[Text] Central Bank President Fernando Milliet and Finance Ministry adviser for economic issues Nakano Yoshiaki today left for the United States to join Finance Minister Bresser Pereira in the foreign debt negotiations. Milliet is going to meet with U.S. Treasury Secretary James Baker.

Labor Ministers End Meeting, Sign Document

PY050221 Brasilia Domestic Service in Portuguese
2200 GMT 4 Sep 87

[Text] The meeting of labor ministers from six South American countries ended today in Brasilia. The six ministers signed a document promising to continue dedicating their efforts to defend the real value of salaries and to improve the workers' standard of living.

The document was signed by Brazilian Minister Almir Pazzianotto, Argentine Minister Carlos Alderete, Bolivian Minister Alfredo Guanchalla, Peruvian Minister Orestes Campos, Uruguayan Minister Hugo Fernandez Faingold, and Venezuelan Minister Simon Antoni Pavan.

Chile

Government Extends State of Emergency

PY041857 Santiago Domestic Service in Spanish
1700 GMT 4 Sep 87

[Excerpt] Through a Defense Ministry decree published in today's *Gazette*, the government has extended for 90 days the state of emergency in different regions, provinces, and communities throughout the country. [passage omitted]

Foreign Minister To Address UN on 28 Sep

PY050317 Santiago Domestic Service in Spanish
2300 GMT 4 Sep 87

[Text] During his visit to the United Nations in late September, Foreign Minister Ricardo Garcia will meet with U.S. Secretary of State George Shultz, and with other foreign ministers. Minister Garcia will go to New York to attend the international forum, where, on the afternoon of 28 September, he will explain to the audience the Chilean position regarding international events. The Foreign Ministry has reported that, on the same day, Minister Garcia will meet Shultz and the Jordanian foreign minister.

According to the Foreign Ministry, Minister Garcia will leave Chile on 19 September and will begin meeting the representatives of the other foreign countries on 22 September.

On that day, Minister Garcia will hold talks with his PRC, Indonesian, and Brazilian counterparts. He will also meet the Spanish, South Korean, Uruguayan, Malaysian, Argentine, and Japanese foreign ministers, and several others.

The Chilean foreign minister will participate in a luncheon hosted by Perez de Cuellar, the Peruvian or Mexican [as heard] —UN secretary general, who will welcome the foreign ministers to the UN General Assembly.

The Ministry has reported that Minister Garcia will attend a meeting of the Group of 77.

Although the agenda is not yet complete, it has been said that in his speech at the General Assembly, Minister Garcia will discuss several international matters such as: economy and trade, the Central American crisis, terrorism, and nonintervention.

Dragnet for Kidnapped Colonel Continues

PY051559 Madrid EFE in Spanish 0400 GMT 5 Sep 87

[Text] Santiago, 4 Sep (EFE) — Some 60 people have been arrested during house-to-house raids and in vehicle and pedestrian checks in a broad operation conducted by government forces to locate the kidnappers of an Army colonel who was abducted by unidentified individuals on 1 September.

Eastern Santiago, where the kidnapped officer lives, has been the target of a huge effort by the forces of order who are conducting investigations and raids with composite

sketches [retratos robot] of the members of the extremist commando that kidnapped Colonel Carlos Carreno, the deputy director of the Army Ordnance [FAMAE] factory.

Heavily armed Army personnel have not permitted the raids to be photographed. A photographer of the newspaper *FORTIN MAPOCHO* has denounced that films of the raids were seized.

Colonel's Condition 'Good'

PY071602 Santiago Domestic Service in Spanish
1030 GMT 7 Sep 87

[Excerpt] Six days have passed since a high-ranking Army officer was kidnapped by a terrorist FPMR [Manuel Rodriguez Patriotic Front] commando from his house in La Reina district. Thus far, despite efforts by police and security personnel, he has not been rescued and his kidnappers have not been arrested.

According to his kidnappers, Lieutenant Colonel Carlos Carreno Barrera is under their control and his condition is good. Carreno's kidnappers reported this in a note, which along with photographs of their victim, was left in a garbage can.

In the note, the terrorists said a new contact would be made. However, such a contact has not yet been made. Carreno's kidnappers have not established any conditions for his release and they have not made any type of announcement, either. [passage omitted]

Government Loses Symbolic Elections in Concepcion

PY051858 Madrid EFE in Spanish 0404 GMT 5 Sep 87

[Text] Santiago, 4 Sep (EFE) — Around 94 percent of the Chilean people want free elections with a number of candidates from which to elect the next president, who should be installed in March 1989.

Symbolic elections were held yesterday in Concepcion and nearby towns, 500 km from Santiago. The majority voted for free elections and only 2.47 percent of voters supported the government's idea of holding a plebiscite.

Foreign congressmen, who are participating in the Second International Parliamentary Assembly for Democracy in Chile which opened in Santiago today, observed these symbolic elections. Diplomatic representatives from European and U.S. Embassies were also present.

Marta Worner, president of the committee that organized the symbolic elections, said its results are "a warning light for Pinochet's government, that wants to impose a plebiscite with a unique presidential candidate."

Of the 20,035 people who participated in the elections, 94 percent, voted for free elections, and only 526 people, 2.47 percent, supported government-proposed plebiscite.

These symbolic elections that began today, 4 September, the day Chilean people used to vote to elect their president, will continue tomorrow.

Colombia

Barco's Asian Tour Canceled; Undergoes Surgery

PA081437 Paris AFP in Spanish 1404 GMT 8 Sep 87

[Text] Bogota, 8 Sep (AFP) — Colombian President Virgilio Barco's tour of South Korea, the PRC, and the Philippines was canceled today in Seoul.

The 66-year-old Barco underwent surgery, apparently for diverticulosis, at University Hospital No 28 in Seoul in the last few hours and is still under the effects of anesthesia in the intensive care unit.

According to Colombian journalists accompanying him, the Colombian president underwent the surgery after experiencing abdominal pains which immobilized his left leg.

Barco had been scheduled to attend a number of ceremonies and meetings with his Korean counterpart over 3 days, after which he was going to travel to Beijing and from there would go to Manila where he would meet with President Corazon Aquino.

The objective of Barco's visit to the Far East was to find support for the development of the Pacific basin.

Barco might be returning to Bogota at the end of this week.

Presidency Issues Communique

PA081509 Bogota Emisoras CARACOL Network
in Spanish 1443 GMT 8 Sep 87

["First official communique" issued by Narino Palace in Bogota, on 8 September — read by announcer]

[Text] The presidency of the Republic has received a medical report which states that President Virgilio Barco suffered an acute perforation of a diverticulum in his colon and underwent emergency surgery at the National University in Seoul to control the perforation and the resulting peritonitis. The perforation was repaired with a protective colostomy.

Hospital Director Dr Han Yong-chol, Surgery Director Dr Kim Chin-pok and Dr Alfonso Lamus — President Virgilio Barco's personal doctor — have reported from Seoul that the situation is satisfactory and the Colombian president's chance for a prompt recovery is hopeful.

Could Undergo Additional Surgery

PA081618 Bogota Emisoras CARACOL Network
in Spanish 1540 GMT 8 Sep 87

[Text] Seoul — Colombian President Virgilio Barco's condition is satisfactory following an emergency operation due to an inflammation of his intestine, according to official South Korean sources. [Name indistinct], an official of the South Korean Foreign Ministry's protocol department, said: We have no idea how long President Barco will have to remain in the hospital.

CARACOL Network has also learned it is possible President Virgilio Barco will have to undergo additional surgery. Nevertheless, it was reported that he is recovering satisfactorily from the operation that took place [words indistinct] Colombian time. The South Korean doctors are analyzing the possibility of additional surgery for President Virgilio Barco Vargas.

Since a colostomy is an opening in the president's intestines — and he has to use a small bag to collect waste material — he will require additional surgery to close the opening. The South Korean doctors attending President Barco must be referring to this second operation. However, it was reported that the analysis of President Barco's post-operative condition will be officially disclosed this afternoon by the South Korean doctors, and by President Barco's government in Bogota, to state if a second operation is necessary, and if the president's condition is critical.

I repeat: According to official information issued by Narino Palace in Bogota and the National University Hospital in Seoul, President Virgilio Barco is recovering satisfactorily from an emergency colostomy that he underwent this morning.

Venezuelan F-16's Reportedly Overfly Arauca
*PA040229 Hamburg DPA in Spanish 2343 GMT
3 Sep 87*

[Text] Bogota, 3 Sep (DPA) — The Colombian civil aeronautics authorities reported in Bogota this afternoon that two Venezuelan Air Force F-16 planes had violated Colombian airspace today.

According to Colombian authorities, the two planes overflew Arauca, capital city of the intendantcy of the same name, near the border with Venezuela in the country's northeast at 1220 today.

The two aircraft overflew the civilian airport Santiago Perez, executed a 180-degree turn, and returned to Venezuelan territory. The planes buzzed the Arauca airport control tower and a military garrison, according to civil aeronautics sources.

Venezuela and Colombia disagree over the delimitation of sea and undersea areas in the Gulf of Venezuela. This quarrel has kept relations between the two countries tense, particularly since 9 August when Venezuela criticized Colombia over the presence of the frigate Caldas in the gulf.

The report, given by Venezuelan President Jaime Lusinchi, dropped the relations between the two countries to their lowest point in a long time.

[Paris AFP in Spanish at 0129 GMT on 4 September in a similar report adds: "This afternoon, Venezuelan Defense Minister General Eliodoro Guerrero Gomez released a communique denying the overflight."]

Paraguay

HDD Wants Boycott of Colorado Celebration
PY080016 Asuncion HOY in Spanish 6 Sep 87 p 1

[Paid advertisement entitled: TRADITIONALISTS (alluding to Traditionalist Colorado Party faction headed by Juan R. Chaves) by Humberto Dominguez Dibb, HDD, owner director of HOY]

[Text] After deep thought, I call on all Traditionalists throughout the country to boycott the rally scheduled for 11 September being sponsored by the pseudo-authorities of the current Colorado Party Board. We Traditionalists believe in and love the party and the country, and we want peace; but we do not want an appointed leadership comprised of hypocrites who today hold posts they do not deserve. HDD tells all Traditionalists: do not attend the rally because it is a nefarious celebration of the Colorado Party's history. We are well-aware of those who can force people to attend a ceremony which will be a symbol of the ostracism of the Colorado Party. If the shoe fits, wear it.

In representation of the Traditionalists, I refuse to acknowledge the current Colorado Party Board. Therefore, the calls it issues are false because they are issued by illegitimate authorities who have not been acknowledged by the people. Signed: HDD

Minister Denies Escalation of Repression
*PY041207 Asuncion ULTIMA HORA in Spanish
3 Sep 87 p 9*

[Excerpt] During a conversation with journalists this morning, Interior Minister Sabino Augusto Montanaro, president of the Colorado Party Executive Board, denied that the government has "escalated repression" by banning demonstrations and imprisoning politicians as some opposition sectors have claimed.

When we asked him: "Has there been an escalation of repression?" the minister replied: "I don't think so. In what sense?" We then told him: "We refer to the latest measures the government adopted (banning of meetings and panel discussions, the closure of the weekly *EL PUEBLO*)," he replied: "Well, those measures were adopted in view of the attempt to disrupt public order or stage demonstrations in marketplaces, the national memorial, or in squares where there are people engaged in their normal activities. That is not an escalation of repression."

Asked whether there has been a hardening of the government's position, the minister answered: "No, nothing of the sort. Everything is in order." [passage omitted]

PLR Deputies Leave Chamber
*PY060051 Asuncion LA TARDE in Spanish 4 Sep 87
p 9*

[Text] Luis Kallsen, Blas Mangabeira, Carlos Doldan, and Nestor Moragas of the PLR [Radical Liberal Party], who also belong to the Radical Liberal Integration Movement, last night walked out of the Chamber of Deputies

after criticizing the government for its repressive actions against opposition leaders, the closure of the weekly *EL PUEBLO*, and the prohibition of political panels and meetings.

PLR Deputy Persio Franco Becker said: "We view with concern that Paraguayan society lacks the basic conditions to practice freedom of press, and freedom to meet, associate, and move around. The police have been allowed to ban the exercise of these freedoms. Under a democratic system, the people are entitled to these freedoms, which are exercised through political parties and suffrage."

Carlos Doldan said: "The time has come for us as deputies to act according to our historic responsibilities, and we would like to officially and publicly announce that we will not return to our congressional seats as long as the citizens who were deprived of their freedom remain under arrest."

He demanded the release of "the people under arrest before we return to our congressional seats. If they are not released we will not return to our seats. We are convinced this is the last resort we have to defend our citizens. If we are punished for this action, we are willing to accept it and if we are expelled from the Chamber, we are also going to accept it."

Doldan added: "If we are expelled, it will be because we are deputies of the Paraguayan nation defending our people's rights and not because we act in silence and complicity with the people who violate the people's rights and the Constitution."

The PLR deputies then left the Chamber. Regarding the PLR deputies, Lezcano Molinas (Colorado Party) said: "They want to overthrow the government but we are going to defend our achievements."

Politicians Not Taken to Court

PY041732 Asuncion *EL DIARIO* in Spanish 4 Sep 87
p 8

[Text] The police have not presented the nine arrested politicians before the Supreme Court of Justice as scheduled. These politicians have remained under arrest in different police stations since 29 August when the Civic Assembly took place.

This is why lawyer Marcial Gonzalez Safstrand has urged the Supreme Court of Justice to once again present the writ of Habeas Corpus for Miguel Abdon Saguier, Hermes Rafael Saguier, Ruben Vera, Gabriel Rodas, Beatriz Romero, and Maria Ligia Centurion.

The petition for protection presented for Fernando Vera, president of the Febrerista Revolutionary Party, was accepted and he must be presented before a court today at 1100.

Peru

Shining Path Attacks Result in 14 Casualties

PA070107 Paris AFP in Spanish 2019 GMT 6 Sep 87

[Excerpt] Lima, 6 Sep (AFP) — One woman and 1 terrorist were killed and 12 others wounded in diverse subversive actions staged over the past 24 hours in Peru. Meanwhile, dozens of professors have left schools because of continuous death threats, Peruvian authorities confirmed today.

An alleged Shining Path annihilation command killed in cold blood Victoria Auqui (53), who was shot twice in a neighborhood of Alto Carmen of Ayacucho. She apparently was killed for being a police informer, a report by the police indicated.

The woman, who was shopping at the time, was killed in broad daylight in the presence of many persons. Before fleeing, her attackers left behind subversive propaganda.

At the same time, another Shining Path group caused a power outage in the Ayacucho district of Tambo, where it blew up two electricity posts and burned the La Pequenita water plant.

This resurgence of guerrilla activity in the country, particularly in Ayacucho, bastion of the Andean guerrillas, coincides with the anniversary of the death of leader Edith Lagos, killed in the region on 2 September 1982; and with the death of Mao Tse-tung on 9 September 1976.

Interior Minister Jorge Barsallo recently announced the state of emergency that has existed since 1983 in the province of Ayacucho will be lifted around the middle part of this month. [passage omitted]

4 Radio Stations Silenced

PA072200 Paris AFP in Spanish 2020 GMT 7 Sep 87

[Excerpts] Lima, 7 Sep (AFP) — Four radio stations were silenced on Sunday as the result of the explosion — presumably by Shining Path members — of a high-tension cable of the transmission plants in Cusco. [passage omitted]

The four important radio stations that have been silenced in Cusco, southeast of Lima, are: Radios El Triunfo, Cusco, Macchu Picchu, and Continente.

According to police sources, an alleged terrorist command today machine-gunned a high-tension cable that feeds energy to the transmission plants of the four radio stations. The plant is located at Pajlachapata Plaza in San Blas neighborhood. [passage omitted]

The Tupac Amaru Revolutionary Movement claimed credit today for placing four dynamite charges in the neighboring district of Kautan, 300 km north of here. The charges were deactivated by the police.

Alerted in time, the Republican Guard bomb disposal unit proceeded to deactivate the charges placed in the Credit Bank, Agrarian Bank, Modelo Supply Market, and the Kautan Civil Guard Post. The source indicated that red flags and subversive propaganda were also found in the area.

The police authorities in Tingo Maria, Huanuco, 350 km east of Lima, confirmed today that groups of terrorists, who "have established a clear alliance with drug trafficking mafias in the jungle," charge "fees" to the drug traffickers for each shipment of cocaine paste (PBC) or cocaine chloral hydrate (pure) that is sent to the marketing centers in Colombia and other countries.

"The terrorists distract the police so the drug traffickers can act freely. For each transfer conducted by the drug traffickers, they pay a large sum to the terrorists, the same authorities noted.

It was said that the drug traffickers are in charge of providing weapons and explosives to the subversives. "That is why when a terrorist or drug trafficker is captured, similar weapons are seized from them: FAL rifles, pistols, machineguns, rockets [word indistinct], and other weapons," the sources indicated.

Bomb Damages Bank of London Office in Lima
PA071333 Lima Panamericana Television
Network in Spanish 1244 GMT 7 Sep 87

[Text] Terrorists this morning exploded a bomb at the Bank of London office in the seventh block of Arenales Avenue. The explosion occurred at 0605, causing panic among the residents and breaking many windows.

Our reporters Roxanna Cueva and Quique Perez went to the area early this morning and reported the following:

[Begin Cueva recording] An approximately 10 kg bomb went off at 0600 [as heard] this morning in one of the Bank of London branches on the corner of Arenales Avenue and Pablo Bermudez Street.

We have been told there are no casualties, but the explosion caused considerable damage to both the bank and nearby buildings. The bomb was placed at the bank's front door. The bomb squad found the guard's hat and part of his uniform a few meters from the bank. Apparently, the bank has no guard service in the early morning. At least, this morning the guard was not there.

According to neighbors, this was the third attack against this bank branch. [end recording]